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TIAN JIYUN ON NEED FOR CIVIL SERVICE REFORM

OW222014 Beijing XINHUA in English 1946 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Vice-Premier Tian Jiyun today described reform on China's civil service system as "necessary and urgent".

In a conversation with representatives from 16 countries who are here attending the U.N. interregional seminar on reform of civil service system, Tian said the reform on the administrative management system is falling behind the ongoing economic restructuring in China.

If the situation is let to continue for long, he said, it would have a serious adverse effect on economic development. He noted that China would benefit from the present seminar.

He listed five drawbacks of China's present administrative management system that did not fit the current economic reform: organizational overlapping, undefined functions of different organizations, overstaffing, poor efficiency, and lack of strict and scientific regulations on appraising the performance of officials, and their promotion and retirement. The vice-premier said that the Chinese Government is studying ways to tackle these problems.

Turning to economic reforms, Tian said that they are leading China's national economy toward socialist planned commodity economy, and a new situation of continuous, steady and coordinated development has emerged.

He indicated that the economic restructuring, with the focus on the urban economy, is developing in depth and width. The price reform and the new wage system, which are of immediate concern to all people in China, are being smoothly carried out and have not yet taken any unexpected turn.

The vice-premier stressed that China is determined to carry though the reforms in a cautious, scientific and steady way.

He pointed out that China's every reform aims to perfect the socialist system based on public ownership of means of production, and by no means to shake or weaken this system, not to speak of leading to capitalism.

Faqir Muhammad, director of the Development Administration Division in the U.N. Department of Technical Cooperation for Development briefed Tian on the progress of the seminar.

UN HELPS IN AFFORESTING LOESS PLATEAU IN NINGXIA

OW211435 Beijing XINHUA in English 0943 GMT 21 Aug 85

[Text] Yinchuan, August 21 (XINHUA) — China has succeeded in afforesting large areas of its northwest loess plateau with help from the United Nations, according to the local authorities.

Some 300,000 people have planted 50,000 hectares of trees and 47,000 hectares of grass in the past four years in Xiji County in the Ningxia Hui Autonomous Region, the center of the loess plateau which had little vegetation before.

About half of the land was farmland previously and the other half wasteland. The new woods cover an area 10 times the amount afforested previously since Ningxia was liberated in 1949 and the amount of grass five times what it was before.

The World Food Program [WFP] funded the tree-planting program by offering 98,200 tons of wheat to the county as compensation for the crop fields and payment for the tree and grass growers.

Local people fulfilled one year ahead of time the five-year program for planting 90,000 hectares to trees and grass, which was scheduled to be completed by 1986.

To ensure success of the program, command posts were set up at regional, county, township and village levels and 20,000 peasants were trained in the essential techniques.

Peasants dug contour ditches, fish-scale pits and terraces on hill sides and planted willow, Chinese scholar trees, Chinese pines, larches, yellowhorns and other trees as well as fodder grasses.

Thanks to these endeavors, the amount of soil erosion in Xiji decreased by 62.4 percent from 1981 to 1984. More firewood and fodder grass were provided and the supplies of red meats in the county increased by 120 percent.

Commenting on the program, the largest supported by the WFP in China, an official from the organization said that it would provide valuable experience for other loess areas.

He also drew attention to the fact that Ningxia is an area inhabited by Moslems of the Hui nationality, saying that it would be convenient for people from Arab countries to come and study the experience.

Other officials from the WFP have spoken highly of China's organizational ability and the people's hard working spirit as shown in the Xiji program.

A BBC reporter said after visiting Xiji that people from countries suffering from serious soil arosion should come to study there.

WORLD BANK HELPS DEVELOP ANHUI IRRIGATION SYSTEM

OW220320 Beijing XINHUA in English 0240 GMT 22 Aug 85

[Text] Hefei, August 22 (XINHUA) -- The World Bank is helping improve China's largest irrigation network, according to reports reaching here today.

In five years beginning this winter, the bank will provide loans of 50 million U.S. dollars to supplement local funds for building additional ditches, sluice gates and pumping stations at Pishihang irrigation network in Anhui Province, east China.

Upon completion of the project, the irrigated area will increase by about 63,000 hectares, from 600,000 hectares now. Local peasants' income is expected to double, according to Anhui agricultural officials.

Construction of the Pishihang irrigation network began in 1958. It is designed to irrigate 684,000 hectares, covering 15 counties and cities in an area of 13,130 square kilometers.

WESTERN CHINA SEEKS TIES WITH USSR, EAST EUROPE

OW221132 Beijing XINHUA in English 1043 GMT 22 Aug 85

[Text] Lanzhou, August 22 (XINHUA) -- Western China plans to expand economic and technological ties with neighboring countries in a bid to revive the prosperity of the ancient "Silk Road", according to a group of economists.

At a recent conference in Lanzhou, economists and officials from 11 provinces and autonomous regions in western China noted that the national policy of opening to the outside world is also applicable to this part of the country.

They proposed closer economic ties with the Soviet Union, Eastern Europe, Central Asia and the Middle East in addition to western China's existing trade relations with Pakistan, India, Nepal, Burma and other neighboring countries.

Located in the middle of the Eurasian landmass, western China covers 6.15 million square kilometers or 64 percent of China's territory. It embraces Shaanxi, Gansu, Ningxia, Qinghai, southwestern Inner Mongolia, Xinjiang, Sichuan, Guizhou, Yunnan, Guangxi and Tibet.

This region's rich natural resources, vast market and great potentials have attracted the attention of foreign traders, bankers and entrepreneurs, the experts said.

They said that for western China, opening to the rest of the world was a preliminary step toward a strategic shift of the focus in China's economic development from the coastal and central parts of the country to the west. It would also help narrow the gap between the western and eastern parts of the country.

Bai Chengming, an official from the Xinjiang Uygur Autonomous Region, said that Xinjiang intended to export grain, edible oil, animal by-products, textile and light industry products to the Soviet Union and import steel, building materials, machinery, motor vehicles, and farm chemicals.

Xinjiang has 5,000 kilometers of boundary line with five land ports and two river ports as well as good railway transport facilities for moving cargo to Europe and the Gulf area at low cost, Bai said.

Zhang Boxing, vice-governor of Shaanxi, promised favorable terms for overseas business people coming to open mines, building roads or run factories in his province.

Officials from Sichuan said the province has an abundance of pork which can be exported to the Soviet Union in exchange for steel and other manufactured goods.

Those from Yunnan and Tibet said it was necessary to adopt more flexible policies for developing trade in the border areas, by relaxing restrictions on the volume of trade, variety of goods exchanged and sites for transactions.

Except Tibet, the other 10 provinces and autonomous regions in western China have already started Sino-foreign joint ventures, cooperative enterprises and foreign-funded firms.

The western provinces and regions will stress development of raw materials, light industry, agriculture and tourism at the present stage.

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PRC INTERNATIONAL AFFAIRS
UNITED STATES

B 1

GUANGMING RIBAO VIEWS REAGAN'S SECOND-TERM RECORD

HK211106 Beijing GUANGMING RIBAO in Chinese 14 Aug 85 p 4

["International Commentary" by Wang Deming, GUANGMING RIBAO reporter based in Washington:
"Inability To Fulfill His Wishes, Nothing To Write Home About -- The Half-Year Record
of President Reagan's Second Term"]

[Text] Washington, 11 Aug (GUANGMING RIBAO) -- U.S. President Reagan, left Washington today for a 23-day vacation at his ranch in California.

The past 2 or 3 months has been an unquiet summer for President Reagan. In June, a U.S. passenger plane was hijacked; in July, he was hospitalized for an operation to have a tumor removed from his intestines; and in August, after prolonged debates, the two houses of Congress passed the FY-1986 budget bill. Major foreign and domestic economic and political events have emerged one after another on top of the operation and hospitalization. These have tired President Reagan and he needs some time to rest and relax his mind.

President Reagan's second term has barely started, but U.S. newspapers and journals have already published many comments on his work record for the past 6 months. THE NEW YORK TIMES said: "Compared with 4 years ago, Reagan's leadership seems relatively weak and lacking in efficiency. His influence on Congress has also been reduced." The WALL STREET JOURNAL said: "Personally, Reagan continues to be a very well-accepted President, but the first 6 month of his second term were full of political controversies and lost opportunities. During this period, he was faced with many difficult problems and political upheavals." "As for foreign affairs, the Reagan administration also failed to score any major achievements." Some newspapers have said: "President Reagan has let slip the opportunity he had following his reelection by failing to press ahead forcefully. He has lost his robust spirit and has failed to fulfill his wishes."

At a press conference before leaving on his vacation, the President declared: "The year 1985 is becoming a year of progress." He said that the U.S. economy was fine, the inflation rate was lower than 4 percent and all was well in the country. However, quite a few people hold a different view. Some political figures feel that Reagan now lacks the vigor of his first term. "There has been nothing to say about the administration record this year," said a White House official. "The White House appears weak and tired. This will be a mediocre year, with neither progress nor lost ground. However, this situation is not good enough." Professor Thomas Cronin of Colorado College, a specialist in the accomplishments of presidents, has pointed out: "This will be an ordinary year; at most, there will be only mediocre achievements."

In the United States, more and more people are coming to realize that the economy is the major issue facing the Reagan administration. The press is in agreement that federal budget deficits have become more worrisome than nuclear warheads and are now the greatest concern of the American people. The projected deficit in the 1986 budget, which was recently approved by Congress, is \$55.5 billion less, but is still at the high level of \$171.9 billion. Many economists are pessimistic about the financial deficits.

Martin Feldstein, chief economic adviser to President Reagan in his first term, once forecast that by the end of the 1980's, the federal financial deficits of the United States would reach \$300 billion a year. A research report recently released by a U.S. congressional committee gives an even worse forecast saying that by fiscal year 1988, the deficit will have reached \$384 billion.

Before the President left the White House on his vacation he pledged that when he returns to Washington on 2 September he will launch a "general autumn offensive." This will be aimed at getting Congress to move ahead on a series of major domestic issues, with the focus on streamlining the tax system. He said for this to be a better year, we have many things to do. It is still hard to predict whether President Reagan's plans will be carried out as he wishes. However, TIME magazine recently conducted a public opinion poll that gave some interesting results. This poll showed that "President Reagan's prestige was very high," "but that three-fourths of the people queried did not believe that Reagan would be able to cut the deficit, straighten out the tax system, or reach an arms limitation agreement with the Soviet Union."

RENMIN RIBAO VIEWS U.S. ECONOMY, PROSPECTS

HK211120 Beijing RENMIN RIBAO Overseas Edition in Chinese 18 Aug 85 p 6

[*"Newsletter From America"* by Zhang Liang: "U.S. Economic Situation and Its Prospects"]

[Text] In the first half of this year, the growth of the U.S. economy obviously slowed, and the growth rate was far lower than people's optimistic forecast at the beginning of this year. Some economic indicators published by the U.S. Government showed that although the U.S. economy improved the growth was still modest. It seems that it will be difficult for the U.S. economy to achieve its target of a 3 percent growth this year as recently set by the Reagan administration.

In the first 6 months of this year, the U.S. GNP grew by only 1 percent. The growth rate for the first quarter was merely 0.6 percent, while that of the second quarter was slightly higher, but was still just 1.7 percent.

Why did the U.S. economic growth rate in the first half of this year decline sharply? There were two main reasons: First, the balance of payments in foreign trade continued to worsen; second, the financial deficit increased rapidly. According to the data published by the U.S. Department of Commerce, the adverse balance of payments in foreign trade in the first 6 months of this year reached \$63 billion, an all-time record. It is expected that the trade deficit for this year will top \$150 billion. The increase in the trade deficit means that U.S. products have occupied a smaller share on international markets and that the increasing import of foreign goods has crowded out a substantial quantity of American goods from the domestic markets. This has held back the development of industrial production in the United States. Its adverse influence is particularly obvious in the manufacturing industry, agriculture, and other associated trades.

There are various reasons for the worsening of the balance of payments in foreign trade. It may be due to the following: First, the exchange rate of the U.S. dollar has been too high. In the past few months, although the exchange rate of the U.S. dollar has fallen by about 15 percent, the currency is still rather firm.

This has weakened the competitiveness of American goods on both domestic and overseas markets. Second, the growth of productivity in the United States is not as rapid as in Japan and other Western countries. Third, the cost of American products is rather high. Fourth, the technological gap between the United States and other Western countries is gradually narrowing, which has also weakened U.S. competitiveness in exporting technology. Fifth, with the exception of Japan, the economies of all major Western countries have been growing very slowly, so their demand for American goods is rather weak.

The other factor contributing to the decline in the U.S. economic growth rate in the first half of this year is the rapidly increasing financial deficit. By the end of this year, the U.S. national debt will be as high as \$2 trillion. Thus, the Federal Government has to pay \$140 billion in interest each year to service this debt. It seems that the budget deficit will continue to be a knotty problem in the next few years. At a recent Cabinet meeting, Wright, acting director of the White House's Office of Management and Budget, warned that the budget deficit in the next 2 years may reach more than \$200 billion a year. President Reagan recently challenged Congress by indicating that he will cut further domestic spending from the budget passed by Congress. In fact, however, it is hardly likely that his proposal will be accepted by Congress.

Of course, when U.S. economic growth is slowing, there are also some favorable factors. For example, the inflation rate will be comparatively low and business investment and individual consumption will continue to increase steadily. According to the latest economic indicators published by the U.S. Government, some major economic comprehensive indices, including the volume of retail commodities, industrial productivity, and the rate of housing starts, have shown upward trends.

All signs show that the U.S. economy will grow faster in the second half of this year. However, most economists hold that the Reagan administration's forecast of a 5 percent growth in the second half is "too optimistic." They generally expect that this year's economic growth rate will be 2 to 2.5 percent rather than 3 percent as the government forecast.

As for the prospects for U.S. economic growth next year, there are two different opinions in economic circles.

People who hold a pessimistic opinion think that there will be a "growth-style recession" next year, while optimists hold that the economy will continue to grow next year and the growth rate may even be higher than this year. However, everyone shares a common viewpoint that the rapidly increasing trade deficit and huge financial deficit will continue to be the two major perils threatening the U.S. economy. The solution of these two problems will have a close bearing on whether the U.S. economy is able to grow continuously.

In short, it is hard for people to foresee how long the current economic recovery, which began in early 1983, will last.

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PRC INTERNATIONAL AFFAIRS
SOVIET UNION

C 1

TASS DENIES CHEMICALS USED IN SURVEILLANCE

OW230232 Beijing XINHUA in English 0222 GMT 23 Aug 85

[Text] Moscow, August 22 (XINHUA) -- The Soviet Union has protested to the U.S. State Department over the allegations that the Soviet Union used "tracking chemicals to keep an eye on U.S. Embassy staff members" in Moscow, the TASS news agency reported today.

TASS said that "the Soviet side resolutely denies the absurd allegations...nothing of the kind was ever practiced or is practiced in our country."

The raising of this question is aimed at "preparing the ground for another slander campaign against the Soviet Union, poisoning the atmosphere in relations between our countries and fomenting enmity towards the Soviet people," TASS said.

The U.S. State Department protested on Monday to Soviet officials in Washington and Moscow about KGB security police use of such possibly carcinogenic substances as nitrophenyl-pentadiene (NPPD) in monitoring U.S. diplomats.

The TASS report was the first Soviet official media reaction to the U.S. protest.

NEI MONGGOL, USSR INCREASE BORDER TRADE

OW210645 Beijing in Russian to the USSR 1800 GMT 20 Aug 85

[Text] This year bilateral trade between the Nei Monggol Autonomous Region of China and the Soviet Union has increased considerably. Since January, the import-export volume amounted to 35 million Swiss francs, or more than two times greater than during the corresponding period last year.

Border trade between China's Nei Monggol and the Soviet Union resumed in 1983. The volume of trade that year amounted to only 3 million Swiss francs, while in 1984 it increased to 17 million Swiss francs. It is expected that by the end of this year the overall volume of trade will reach 50 million Swiss francs.

This autonomous region exports more than 20 varieties of goods to the Soviet Union, and more than 30 industrial enterprises in the region are engaged in the production of export goods. At the same time, Nei Monggol Autonomous Region is prepared to increase border trade with the Mongolian People's Republic.

KOREAN RED CROSS SOCIETIES AGREE ON REUNION PLAN

OW221708 Beijing XINHUA in English 1649 GMT 22 Aug 85

[Text] Panmunjom, August 22 (XINHUA) -- Red Cross officials of the two parts of Korea broke a deadlock today by agreeing for the first time in 40 years to exchange visits of 151 civilians each in September under a family reunion program. The dramatic agreement was reached after a 5-hour working meeting behind closed doors at this truce village, about 140 kilometers south of Pyongyang.

According to the agreed minutes, the two sides agreed that 50 persons from each side can visit their family members living on the other side between September 20 and 23. In addition, each visiting group will have 50 artists, 30 reporters and 20 other personnel and will be headed by a ranking Red Cross official.

The agreement climaxed 13 years of dragged-out Red Cross negotiations that started in 1972 to make arrangements for some of the ten million separated family members living in the two parts of the country since its division at the end of World War II.

Today's working meeting, the third since July 15, is said to have focused on a proposal put forward by the Democratic People's Republic of Korea (DPRK) that the visiting groups include those whose hometowns are not Seoul or Pyongyang. The two sides later came to a compromise that the groups should consist mainly of the natives of Seoul or Pyongyang.

DPRK's chief negotiator Pak Yong-su said at a press conference after the meeting that agreement was reached and problems were resolved in a spirit of mutual accommodation, understandings and respect. He described the agreement as historic as it came at the time of the 40th anniversary of Korea's liberation from the Japanese occupation.

His South Korean counterpart, Song Yong-tae, said that the agreement is a milestone marking the beginning of an end to the country's division and also a starting point for the future.

The September exchange will be the first civilian visits of private individuals in 40 years, though government officials of the two sides had previously visited each other for political talks. The Red Cross talks are one of the three channels of the North-South dialogue. The other two are economic and parliamentary talks.

DPRK CONDEMNED SOUTH KOREAN MILITARY EXERCISE

OW220304 Beijing XINHUA in English 0743 GMT 22 Aug 85

[Text] Pyongyang, August 22 (XINHUA) -- The Democratic People's Republic of Korea (DPRK) has condemned the South Korean military exercise being held in the whole south from August 19 to 24.

In a press communique issued on Wednesday, the Committee for the Peaceful Reunification of the Fatherland of Korea said the military exercise is held on the eve of the forthcoming Red Cross talks between the North and South of Korea. It is an unjust action aimed at pouring cold water on the talks, the communique said.

The communique pointed out that if the South Korean authorities really want to hold the talks to reduce sufferings of the Korean people, they should stop such an action designed to poison the atmosphere of the talks.

WANG HAI, HU YIZHOU ADDRESS V-J DAY FORUM

OW220853 Beijing XINHUA Domestic Service in Chinese 1528 GMT 21 Aug 85

[By reporters Zhu Hao and Qi Naxiao]

[Text] Beijing, 21 Aug (XINHUA) — Beijing people involved in aviation held a forum at the Great Hall of the People today to mark the 40th anniversary of the victory of the war of resistance against Japan. They warmly praised those brave pilots who, during the war years, displayed their national heroic mettle and high patriotic spirit in their struggle against the aggressors.

Wang Hai, commander of the Air Force; Hu Yizhou, director of the Civil Aviation Administration of China; Ji Wenmei, president of the Chinese Aeronautics Society; Weng Yukun, chairman of the Beijing Aviation Association; Gong Yeti and Cheng Dunrong, who participated in air battles and air transport in the war of resistance; and Li Zhenli and 90 others, who are dependents of martyrs of the war of resistance, attended the forum.

In their speeches, the participants in the forum looked back on the course of the hard struggle and the heroic deeds of the Chinese Air Force and the civil aviation workers in the war of resistance. They said: In the initial period of the war of resistance, there was a wide gap between the strength of the enemy's Air Force and ours. The Chinese Air Force had only 200 to 300 combat aircraft. However, when the nation's existence was in peril, Chinese pilots bravely rose against the powerful enemy. According to historical data, during the first 18 months after the war of resistance against Japan broke out in full strength, the Japanese aggressors lost more than 780 planes and more than 1,000 pilots. The Chinese Air Force won victories, punctured the Japanese aggressors' arrogance, and inspired the entire nation's zeal for resisting the enemy. During the war of resistance, several hundred Chinese pilots were killed in action.

In their speeches, they fully affirmed the support extended by the Soviet Union, the United States, and Britain to China's war of resistance against Japan. They said: After the war of resistance against Japan broke out, the Soviet Union was the first country that came to China's aid. The Soviet Government dispatched Air Force volunteers to China to sternly punish Japanese aggressors together with the Chinese Air Force. The United States also dispatched Air Force volunteers and aviation teams to fight side by side with the Chinese Air Force. A number of Soviet and U.S. pilots shed their blood over China's soil and dedicated their precious lives to the victories of China's war of resistance against Japan and the world's war against fascism. The Chinese people deeply cherish the memory of them and are grateful to them for their support.

At the forum, Air Force Commander Wang Hai said: The people in the motherland will never forget those patriotic heroes who shed their blood and sacrificed their lives for national liberation. On behalf of the People's Air Force, he extended greetings and respect to the Air Force personnel who fought in the war of resistance and to dependents of the Chinese Air Force martyrs in the war of resistance. Wang Hai said: I hope air force personnel on both sides of the Taiwan Strait will go forward hand in hand and make common efforts to make greater contributions to the country's prosperity and the development of the motherland's Air Force.

Wang Hai said: As a result of the construction in the past decades, the People's Air Force has become a modernized combined force with considerable combat strength. At present, the combat strength of the People's Air Force is at an all-time high. Airplanes of aggressors ran rampant in our sky 40 years ago. This scene will not be seen again.

CAAC Director Hu Yizhou spoke at the forum. He said: Forty years ago, people involved in China's civil aviation made contributions to the victory of the war of resistance. Numerous people with lofty ideals gave their precious lives for the motherland's destiny. Their shining achievements are indelibly engraved in our memory. He said: In the period of socialist construction, many veteran fighters who fought bloody battles in the war of resistance against Japan have made contributions to New China's civil aviation. Looking back on history, we wish to extend our redoubled respects to our seniors in the civil aviation circles, and even more deeply cherish the memory of those brave pilots who died fighting in the vast sky in the war of resistance against Japan.

Qian Changzhao, vice chairman of the National Committee of the CPPCC, and Hou Jingru, vice chairman of the Central Committee of the Revolutionary Committee of the Chinese Kuomintang, and responsible persons of departments concerned attended the forum.

TRADE UNION FORUM MARKS ANTI-JAPANESE STRUGGLE

OW221138 Beijing XINHUA in English 1123 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Veterans attending a forum sponsored by the All-China Federation of Trade Unions in the celebration of the 40th anniversary of the victory in the Chinese people's war against Japanese aggression today gave a high appraisal of support from the workers of all countries in their just war.

The forum, one of the series of celebration activities being held across China, is also to mark the anniversary of the victory in the world anti-fascist war at large.

The international support, the forum notes, then included the struggles of the dockers in Britain, France, the Netherlands, Australia and New Zealand to refuse handling Japanese goods and of the Japanese workers to destroy machines in protesting the imperialist war against China.

Moreover, some veterans at the forum who had participated in the war against Japanese aggression recalled the glorious deeds the Chinese working class had performed under the leadership of the Chinese Communist Party and made the due contributions in the war.

The CPC Central Committee founded a nationwide workers movement committee on May 1, 1939 to lead the Chinese workers in the war against Japanese aggression.

At the call of the Communist Party, many workers joined workers guerrillas, and there were more than 20 workers guerrilla detachments in north China alone. Many workers guerrillas later became regular armed forces.

Chen Yongwen, a cadre of the CPC Central Committee Workers Movement Committee, recalled workers in the rear bases were engaged in production with a high sense of responsibility under the extremely arduous conditions and many of them braved artillery fire to transport machines from war zones to the rear areas.

Some speakers at the forum also recalled general strikes waged by workers in various parts of China then during the war against Japanese aggression.

WANG ZHEN MEETS JAPANESE CALLIGRAPHY GROUP

OW211407 Beijing XINHUA in English 1222 GMT 21 Aug 85

[Text] Beijing, August 21 (XINHUA) — Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee and honorary president of the China-Japan Friendship Association, conversed with a group of visitors from Japan led by Shigetoshi Murakami, member of the House of Representatives and leading official of the All-Japan Calligraphers' League, here this afternoon.

The visitors have come to make arrangements for a joint calligraphic exhibition. In the evening, they were to a dinner given by Zhou Erfu, vice-president of the Chinese People's Association for Friendship With Foreign Countries.

WANG ZHEN MEETS JAPAN SOCIALIST PARTY ACTIVISTS

OW220806 Beijing XINHUA in English 0745 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee and honorary president of the China-Japan Friendship Association, met a group of activists of the Japanese Socialist Party led by Shigeru Nakamura, member of the House of Representatives, here this morning. The visitors arrived here on August 19 as guests of the China-Japan Friendship Association.

WANG ZHEN MEETS JAPANESE BUSINESS DELEGATION

OW221146 Beijing XINHUA in English 1135 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee and the honorary president of the China-Japan Friendship Association, met visiting Japanese businessmen from Joto of Tokyo Metropolitan. They are headed by Minoru Otani, secretary of Yoshikatsu Takeiri, chairman of the Central Executive Committee of the Japan Komei Party.

WANG ZHEN, LI PENG MEET MITSUBISHI OFFICIALS

OW221848 Beijing XINHUA in English 1837 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) — Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee and honorary president of the China Association for International Friendly Contacts, met and feted here today a delegation from Mitsubishi Heavy Industries Ltd. of Japan led by its General Manager Yotaro Iida, who is also vice-president of the Asian Exchange Association of Japan. Chinese Vice-Premier Li Peng met the Japanese guests on another occasion today. He had an extensive discussion with them on trade and economic and technological issues involved in building nuclear power stations and thermal power stations in China.

WAN LI, HU QILI MEET JAPANESE LABOR MINISTER

OW221250 Beijing XINHUA in English 1230 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Chinese Vice-Premier Wan Li and Hu Qili, member of the Secretariat of the Chinese Communist Party Central Committee, met with visiting Japanese Minister of Labor Tashio Yamaguchi and his party here this afternoon. Yamaguchi arrived in Beijing on August 19 at the invitation of the Chinese Ministry of Labor and Personnel. Since his arrival, he had exchanged views on friendly cooperation in vocational training and other fields with leading members of the host ministry.

XINHUA COMMENTARY QUESTIONS HANOI'S SINCERITY

OW220419 Beijing XINHUA Domestic Service in Chinese 1147 GMT 21 Aug 85

[Commentary by XINHUA reporter Huang Yan: "Where Lies Hanoi's Sincerity?"]

[Text] Beijing, 21 Aug (XINHUA) -- Hanoi announced that it would withdraw all its Army from Cambodia by 1990. Later, it publicized everywhere that complete withdrawal would be "very well ahead of" the previously announced schedule and this showed Vietnam's "sincerity in resolving the Cambodia issue."

The essence of the Cambodia issue is Vietnam's aggression toward and occupation of Cambodia. To resolve this essential issue, the UN General Assembly adopted related resolutions at six sessions in a row, demanding Vietnam immediately and unconditionally withdraw its Army from Cambodia and let the Cambodian people determine their own destiny without foreign interference. Hanoi's past attitude on this question was known to all. There is no fundamental change in its present attitude.

On the question of Army withdrawal: First, the announcement of "complete Army withdrawal in 5 years" is not new. The communique of the 10th "Indochina foreign ministerial conference" held this January has already declared that "the Army withdrawal will be completed in 5 to 10 years." Therefore, there is nothing new except that it is the same announcement made more than 6 months later.

Second, if Hanoi is really sincere, it should immediately and unconditionally withdraw its entire Army from Cambodia instead of delaying until 1990. At the beginning of this year Prince Sihanouk said: The time limit for Vietnam's Army withdrawal is 1 year at the most. Vietnam and Cambodia are near neighbors, and 1 year is long enough.

Third, the so-called "complete Army withdrawal in 5 years" is also as flexible as a rubber band. The communique said that "If Cambodia's peace and security are sabotaged by taking advantage of this Army withdrawal," Vietnam must "take appropriate measures." Phnom Penh Foreign Minister Hun Sen said: Vietnam is withdrawing its Army while eliminating the Khmer Rouge and their sanctuaries at the same time. Vietnamese Foreign Minister Nguyen Co Thach said: "If the Cambodian Army states it cannot guarantee the security of its country, the Vietnamese Army will stay there longer." For more than 6 years facts have proven that the Vietnamese aggressors are incapable of eliminating the Cambodian resistance forces and that the Cambodian people have not accepted the Heng Samrin regime propped up by Vietnam. According to Hanoi's estimate, when in the world can it withdraw its Army? Only God knows!

Obviously, Vietnam's "complete Army withdrawal in 5 years" is a delaying tactic. Just as Prince Sihanouk, president of the Coalition Government of Democratic Kampuchea, recently pointed out, this is to "deceive the international community," so that "Vietnam can have time to consolidate the power of the Phnom Penh Heng Samrin regime." Hanoi wants the international community to get tired of and become fed up with its delaying tactics and thus end support for the Coalition Government of Democratic Kampuchea.

On the question of the Cambodian people's right to self-determination, Hanoi still insists that the "elimination of the Khmer Rouge" be the prerequisite for the political solution to the Cambodia issue. Hanoi declared: If Son Sann and Sihanouk wish to hold talks with the "Government of the People's Republic of Kampuchea," they must "break away from the Khmer Rouge."

Hanoi's purpose is to split the Cambodian resistance force and legitimize the Heng Samrin regime. Just as Prince Ranarit, commander in chief of the Sihanouk pointed out, this is "a political conspiracy."

In short, Hanoi's basic stand and strategic goal concerning the Cambodian issue have not fundamentally changed. Its attitude on crucial questions is still very stubborn.

Since the beginning of this year, Vietnam has intensified its war of aggression against Cambodia, repeatedly intruded into Thailand's territory, and rejected the proposal made recently by the ASEAN countries calling for Vietnam to hold "indirect talks" with the Coalition Government of Democratic Kampuchea to seek a political solution to the Cambodia issue. As a result, Vietnam has placed itself in a still more isolated and passive position in the international community. The next session of the UN General Assembly will soon open, and Vietnam will face greater pressure. Under these circumstances, Hanoi once again plays its trick of fake Army withdrawal and uses empty words such as "dialogue," "negotiation" and "solving essential issues" as subterfuge to cover up its persistent aggression and expansion, deceive public opinion, and deal with international pressures.

RENMIN RIBAO CRITICIZES SRV WITHDRAWAL SCHEME

HK220830 Beijing RENMIN RIBAO Overseas Edition in Chinese 22 Aug 85 p 2

[Commentator's article: "Old Farce, New Tricks"]

[Text] A communique was issued following the conclusion of the so-called 11th "meeting of foreign ministers of the Indochinese countries," held on 15 and 16 August under the direction of the Vietnamese authorities. Clear-sighted people could see immediately from this new wine in old bottles that the Vietnamese authorities are doing no more than playing an old farce with new tricks. In fact the communique has announced to the world yet again that the Vietnamese authorities are still stubbornly sticking to their stand of aggression and expansion.

The Vietnamese authorities said in this communique that "the work of withdrawing" the Vietnamese Army of aggression in Cambodia "will be entirely completed by 1990." Why are the Vietnamese authorities dishing up this new plaything? The UN General Assembly is imminent. Vietnam, as an aggressor, will undoubtedly be condemned yet again by the international community. Therefore, before the UN General Assembly, they have hurriedly dished up a timetable for "troop withdrawal," in a vain bid to deceive world opinion.

Actually, the so-called troop withdrawal trotted out by the Vietnamese authorities is no more than a rehash of the "gradual withdrawal of troops" they trumpeted in the past. Although in recent years the Vietnamese authorities have repeatedly announced that they intend to "withdraw their troops," in fact the number of Vietnamese aggressor troops in Cambodia has kept increasing, and the war in the country has continually expanded. The lie of the "gradual troop withdrawal" uttered by the Vietnamese authorities went bankrupt a long time ago. Now they are trying again to play the trick of passing off sham as genuine to avoid condemnation by the international community, but this is a scheme without avail.

Moreover, the communique announces that "if this withdrawal of troops is taken advantage of by others," the Vietnamese Army can take "appropriate measures." Does this not mean brazenly creating a pretext for the Vietnamese Army to hang on in Cambodia and not leave? The people of the world understand very clearly that if the Vietnamese authorities truly intend to withdraw their troops, they only need to follow the UN General Assembly resolutions demanding that Vietnam withdraw its troops from Cambodia, and immediately withdraw, without any conditions, the aggressor troops they sent into Cambodia. It is obvious from this that the so-called "entire completion of the work of withdrawing troops by 1990" is actually only a subterfuge.

As everyone knows, the Vietnamese authorities long ago rejected the proposal for "indirect talks" put forward by the ASEAN and the Coalition Government of Democratic Kampuchea [CGDK]. Now they are using the communique issued by the foreign ministers meeting of so-called "Indochinese countries" to charge the ASEAN proposal with failing to "clarify" "with whom dialogue should be held." These evasions and pesterings resorted to by the Vietnamese authorities are also aimed at no other purpose than avoiding the charge of being aggressors. Even more malicious, knowing perfectly well that ASEAN has put forward a unified proposal, the Vietnamese authorities turn a simple thing into a mystery by babbling that it is only the Malaysian proposal that is "worth considering." This is a further brazen attempt to sow discord among the ASEAN countries. It is not difficult for people to perceive that the sinister intention of the Vietnamese authorities is focused on how to split the ASEAN and the CGDK.

Of course, this communique contains somewhat less fierce attacks and wanton abuse than previous ones, and this could probably be reckoned an infinitesimal change. However, the consistent stand and plot of the Vietnamese authorities to engage in aggression and expansion is concealed in full between the lines of the communique. As far as the moves of the Vietnamese authorities are concerned, people can perceive them clearly today through understanding their past. At every crucial moment, the Vietnamese authorities always resort to political fraud to coordinate with military attacks. The publication of this communique of the "Indochinese foreign ministers" conference reminds people yet again that following their large-scale seventh dry-season offensive in Cambodia, it is now time for the Vietnamese authorities to play political tricks. Everyone can see the evil intentions of the Vietnamese authorities. Now, the communique of the so-called "conference of Indochinese foreign ministers," which reflects Hanoi's orders, is nothing but a scrap of paper to deceive people and conduct propaganda, in addition to further exposing how the Vietnamese authorities are sticking to their expansionist stand.

SIHANOUK REFUSES TO TALK WITH PRK LEADERS

OW220318 Beijing XINHUA in English 0250 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) — Samdech Norodom Sihanouk, president of Democratic Kampuchea, rejected talks with the Phnom Penh regime on the settlement of the Kampuchean issue.

"I would not meet Heng Samrin or any other puppets of Vietnam in Phnom Penh," he was quoted by Radio Democratic Kampuchea today as saying.

His remarks, made on August 20, were directed at Hun Sen, prime minister of the Phnom Penh regime who wants to meet Sihanouk to discuss solutions to the Kampuchean issue.

LIAO HANSHENG MEETS SPANISH SENATE SPEAKER

OW220916 Beijing XINHUA in English 0816 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Liao Hansheng, vice-chairman of China's National People's Congress (NPC) Standing Committee, held talks with Spanish Senate Speaker Jose Federico de Carvajal here this morning.

Liao said that the NPC desires to strengthen its contacts with the Spanish parliament to promote relations between the two countries and contribute to world peace.

During the talks Liao and De Carvajal exchanged information about domestic economic development as well as each parliament's composition and functions. Liao also answered questions about China's legislative procedures, minority nationalities and trade unions.

WU XUEQIAN BRIEFS DE CARVAJAL

OW221522 Beijing XINHUA in English 1450 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Foreign Minister Wu Xueqian said here today that outer space should serve peace and China opposes its militarization. He made these remarks here this afternoon at a meeting with a delegation of senators from Spain headed by the Speaker of the Spanish Senate Jose Federico de Carvajal.

The foreign minister briefed the guests on China's foreign policy and its stand on international issues. Wu said China welcomes the resumption of the Geneva arms control talks between the United States and the Soviet Union and the forthcoming U.S.-Soviet summit talks in November.

"However, the key to really easing the tense international situation," he said, "depends on whether the two superpowers really reach an agreement on disarmament, especially nuclear disarmament."

In reply to a question on the prospects for Sino-Spanish economic cooperation, Wu said broad prospects for cooperation exist because the relations between the two countries are on a good political basis. Both China and Spain stand for safeguarding world peace and are trying to develop their national economies.

He said bilateral economic relations and trade have constantly grown since the establishment of diplomatic relations. The best way to develop cooperation is to make a study of the related industries of China and Spain and try to set up cooperative projects beneficial to both sides, Wu advised.

XU JIATUN MEETS VISITING UK CHINESE GROUP

HK161303 Beijing ZHONGGUO XINWEN SHE in Chinese 1347 GMT 15 Aug 85

[Text] Hong Kong, 15 Aug (ZHONGGUO XINWEN SHE) -- Xu Jiatun, director of the Hong Kong branch of the XINHUA NEWS AGENCY, today said he could not rule out the possibility that some unexpected things might happen in Hong Kong in the next 12 years. However, everyone can rest assured that China's policy of "one country, two systems" will never be changed, he said.

Xu Jiatun made this statement in Hong Kong this morning when meeting the nine principal members of a visiting group from the British Overseas Chinese group "London Kung Ho [gong he 0364 0753] Association."

Xu Jiatun also mentioned the current situation in Hong Kong during the meeting. He said: The situation in Hong Kong has been pretty good since the official signing of the agreement between China and the United Kingdom. The Chinese Government is determined to abide by the agreement. In the next 12 years, Hong Kong will still be under British administration. We will be cooperative in regard to all measures favorable to the prosperity and stability of Hong Kong.

Founded in 1947, the London Kung Ho Association is a group comprised of ethnic Chinese with the aim of striving for the welfare of Chinese nationals and enhancing the Chinese culture. In 1968, the association set up the first Chinese children's literacy class in the United Kingdom. At present, the association is raising a Kung Ho Chinese education fund that is to be used to build schools, a Chinese library, a youngsters' recreational center, and so on. Xu Jiatun expressed his appreciation for the association's efforts to preserve and enhance Chinese culture, publicize the Chinese nation's fine traditions, and promote cultural exchange between China and the United Kingdom. He emphasized that the association's cause was of significance to Overseas Chinese, the motherland, and Hong Kong.

There are currently 150,000 Chinese nationals in the United Kingdom, the largest Chinese community in Europe. Nearly half of these Chinese live in London and its vicinity and 70-80 percent of them are Hong Kong natives who are greatly concerned with Hong Kong's future. Xu Jiatun pointed out: Overseas Chinese concern for Hong Kong's future is a good phenomenon. Both the construction of Hong Kong and the four modernizations program of the motherland need support from Overseas Chinese. Overseas Chinese are welcome to visit China and Overseas Chinese scholars are welcome to return to China frequently to contribute their knowledge through academic exchanges and by other means.

DENG PUFANG MEETS FRENCH FOREIGN MINISTER DUMAS

OW221942 Beijing XINHUA in English 1931 GMT 22 Aug 85

[Text] Paris, August 22 (XINHUA) -- French Minister for External Relations Roland Dumas received Deng Pufang, director-general of the China Welfare Fund for the Handicapped, and had a cordial conversation with him here today.

Deng arrived here yesterday for a 10-day visit to France at the invitation of Madame Danielle Mitterrand, wife of President Francois Mitterrand.

Dumas told Deng that France and China have much in common and that both cherish their independent status. He expressed the hope that his upcoming visit to China will contribute to the promotion of exchanges between the two countries.

During his stay in France, Deng will be briefed on the legislative and other means to the aid of the handicapped in this country. He will visit some hospitals and other facilities to this end.

ETHIOPIAN INDUSTRY MINISTER GREETED BY QIAN LIREN

OW211800 Beijing XINHUA in English 1628 GMT 21 Aug 85

[Text] Beijing, August 21 (XINHUA) -- Qian Liren, head of the International Liaison Department of the Chinese Communist Party Central Committee, met and feted Hailu Yimanu, member of the Political Bureau of the Ethiopian Workers Party Central Committee and Ethiopian minister of industry, and his group here today. Host and guests had a cordial conversation.

Present on the occasion was Ethiopian Ambassador to China Philippos Wolde-Mariam.

The guests arrived here yesterday on a visit to China at the invitation of the Ministry of Foreign Economic Relations and Trade.

Talks With Yao Yilin

OW221530 Beijing XINHUA in English 1447 GMT 22 Aug 85

[Text] Beijing, August 22 (XINHUA) -- Chinese Vice-Premier Yao Yilin had a cordial conversation at the Great Hall of the People today with Ethiopian Minister of Industry Hailu Yimanu. They talked about expansion of friendship and cooperation between China and Ethiopia.

The Chinese Government, which had earlier donated 15,000 tons of corn to the Ethiopian Government, has decided to give another 10,000 tons as an expression of the sympathy of the Chinese people for the people of Ethiopia suffering a severe drought. Notes on this donation were exchanged today between Zheng Tuobin, Chinese minister of foreign economic relations and trade and Minister Hailu Yimanu.

Zheng and Yimanu also talked about the development of economic relations, technological cooperation and trade between the two countries. Both sides expressed satisfaction with the cooperation between the two countries and agreed to promote greater development.

The Ethiopian minister and his party arrived here August 20. They will visit Tianjin and Shanghai before returning home.

JI PENGFEI MEETS ZAIRE REGIONAL DELEGATION

OW210812 Beijing XINHUA in English 0729 GMT 21 Aug 85

[Text] Beijing, August 21 (XINHUA) -- Chinese State Councillor Ji Pengfei met here today with a goodwill delegation from the Equator Region of Zaire led by Governor Mpambia Musanga.

Equator Region established official ties with China's Guangdong Province in 1983. The delegation is in China to explore ways for further cooperation between the two provinces.

PLA LEADERS ADDRESS NAVY CPC ENLARGED MEETING

OW221926 Beijing XINHUA Domestic Service in Chinese 1513 GMT 22 Aug 85

[By reporters Huang Caihong and Cao Guoqiang]

[Text] Beijing, 22 Aug (XINHUA) -- Yang Shangkun, vice chairman of the Central Military Commission, called for more solid and meticulous work as the reduction-in-strength reorganization of the PLA proceeds more smoothly. He made this remark at an enlarged meeting of the Standing Committee of the party committee of the Navy today. Leading comrades of the Central Military Commission Yang Shangkun, Yang Dezhī, and Zhang Aiping attended and spoke at the enlarged meeting of the Navy party committee on 22 August.

In his speech, Comrade Yang Shangkun said: The situation in the PLA's structural reform and reduction-in-strength reorganization is excellent. However, the work of reduction-in-strength reorganization remains an arduous task, and greater efforts are required to turn the PLA into more compact and efficient troops with higher combat capability. It is necessary to do solid work in order to carry out the heavy task of selecting new cadres and placing demobilized cadres. We should not relax our efforts because the mainstream of the situation is good. On the contrary, the better and smoother the situation is, the more difficult, solid, and meticulous the work we must carry out.

Yang Shangkun stressed that it is necessary to pay close attention to the PLA's ideological building in the course of reduction-in-strength reorganization. He said: It is necessary to, on the basis of upholding the four fundamental principles, intensify the PLA's political and ideological work and persuade the cadres and fighters to conscientiously fulfill Comrade Deng Xiaoping's call for "fostering ideals and morality, studying general knowledge, and observing discipline." The ultimate purpose for intensifying the ideological building is to enhance the party spirit of party members. All party members must stress party spirit and enhance their concept of party spirit. Leaders at all levels must pay close attention to intensifying the work in this field, and they must prevent and overcome various ideological obstacles to the reduction-in-strength reorganization to ensure smooth progress in the reorganization work. After noting the good situation in the whole Army in implementing the guidelines of the enlarged meeting of the Military Commission, Yang Dezhī pointed out in his speech that the readjustment of leading bodies at the corps level has been basically completed throughout the PLA. He encouraged the whole Army to deepen the structural reform and reduction-in-strength reorganization and to do more solid and meticulous work. Turning to the work of the Navy, he said: The Navy has achieved remarkable progress in its work in recent years, with which the Military Commission is satisfied. The leading body of the Navy has been readjusted, and the order to readjust the leading bodies of fleets and units at and above the corps level on naval bases has also been published. It is hoped that old comrades retiring from the leading bodies will enthusiastically support new cadres in assuming important posts, help the new leading body by not interfering in its work, and offer good advice to the Navy's construction in their remaining years. At the same time, new leading bodies at all levels must inherit and carry on the glorious tradition of the old leading bodies and, united as one, successfully build the Navy with one heart and one mind.

In his speech, Zhang Aiping emphatically pointed out: The structural reform and reduction-in-strength reorganization is a major reform of the PLA in the new period. It should not be carried out according to old formulas. It is necessary to obtain a new understanding and adopt a new attitude and style in dealing with new situations and the new problems.

Responsible comrades of the PLA General Staff, Political, and Logistics Departments, the Military Commission's Discipline Inspection Commission, and the National Defense Science, Technology, and Industry Commission attended today's meeting.

Also attending the meeting were Navy Commander Liu Huaqing and Political Commissar Li Yaowen.

The Standing Committee of the party committee of the Navy opened the enlarged meeting on 16 August in order to implement the guidelines of the enlarged meeting of the Military Commission and study and carry out the Navy's plan on reduction-in-strength reorganization.

Younger Cadres Assume Leadership

OW230536 Beijing XINHUA Domestic Service in Chinese 0013 GMT 22 Aug 85

[By reporter Huang Caihong]

[Text] Beijing, 22 Aug (XINHUA) -- It has been learned from the current enlarged meeting of the Standing Committee of the PLA Navy party committee that scores of middle-aged and young cadres have recently been promoted to leadership posts at or above the corps level.

The leading bodies of the People's Navy at various levels have advanced a giant stride in promoting younger, better educated, and professionally more competent cadres since launching structural reform, reduction-in-strength and reorganization in the Navy. The young cadres who have assumed leadership posts at or above the corps level are aged below 50, and the youngest is only 39 years old. Some 86 percent of them have received education in the senior military academies. Among them are outstanding commanders of warships and submarines, aviation cadres of the naval air units, heroes who have rendered meritorious service in battles, and outstanding political work cadres.

Some retired veteran comrades attending the enlarged meeting of the Standing Committee of the PLA Navy party committee, seeing that the sprightly, knowledgeable and professionally competent middle-aged and young cadres have assumed leadership posts at or above the corps level, happily said that, with their succession, the cause of the People's Navy is full of hope. At the conference, the new and veteran comrades jointly discussed how to build a modern Navy. They pledged to build the leading bodies at various levels into a united and strong collective leadership.

PUBLIC SECURITY MINISTRY CIRCULAR BANS GAMBLING

OW230135 Beijing XINHUA Domestic Service in Chinese 0734 GMT 22 Aug 85

[Text] Beijing, 22 Aug (XINHUA) -- In connection with rampant gambling in Guangxi's Nanning Prefecture, the Ministry of Public Security recently issued a circular calling on public security organs at all levels to take effective measures and resolutely ban gambling.

The circular says: Since the beginning of this year, gambling has been noticed in all 12 counties and cities of Nanning Prefecture. According to incomplete statistics, of the prefecture's 161 towns and 1,883 villages and neighborhoods, gambling has been found in some 154 towns and 671 villages and neighborhoods.

In Fusui County alone, gambling has been noticed in 12 towns and 104 villages. Gambling paraphernalia and methods include table tennis, poker, mahjong, and dominoes as well as finger guessing, numbers games, lotteries, and Chinese chess. Gamblers include office cadres, plant staff and workers, peasants, and students, as well as party members. According to statistics compiled by Shanglin County, of the county's 5,266 known gamblers, 2 are party members, 8 are cadres, 145 are students, and 46 are staff or workers in state enterprises. Most of them are young people. Of the 1,183 people punished for gambling since the beginning of this year, 883, or 74.6 percent, are below the age of 15.

The circular points out: Gambling activities similar to those found in Nanning Prefecture have also been discovered in many other localities. The problem is particularly serious in rural areas. Gambling not only corrupts social values, adversely affects production, and causes family tragedies, but also corrupts people's minds, leads to crime, and seriously endangers social security. Recently, gambling has begun to spread despite repeated bans. Besides objective factors, a major reason for this situation is that the ban has not been forcefully implemented. Public security organs at all levels should take the matter seriously, take the initiative to report to party committees and governments on the gambling situation and the serious consequences it creates, and cooperated with departments concerned in vigorously promoting a large-scale mass campaign to ban gambling. They must employ various propaganda tools to create public opinion to ban gambling and educate and mobilize the masses to resist, expose, and report gambling activities to the authorities. At the same time, they should also step up the implementation of the ban and deal with each gambling case as soon as it is discovered. Gambling ringleaders and hardened gamblers should be hunted down and punished according to the law.

DURABLE CONSUMER GOODS PRODUCTION RISES

OW230147 Beijing XINHUA Domestic Service in Chinese 0930 GMT 22 Aug 85

[By correspondent Zheng Boyu and reporter Chen Yun]

[Excerpt] Beijing, 22 Aug (XINHUA) -- To meet the needs of the rising standard of living, China's production of durable consumer goods, mainly household electrical appliances, has shown steady growth since the beginning of this year. Product quality gradually improved while greater varieties and more high-grade products are being developed.

According to statistics provided by the State Statistical Bureau, the production of color TV sets grew the fastest in the first 7 months of this year, with total output topping 2.96 million sets, or a 2.5-fold increase over the same period of last year. Next to TV sets are refrigerators, with output reaching nearly 700,000, or over 50,000 refrigerators more than the total annual output of 1984. With rising urban and rural incomes, tape recorders are in great demand. The output of recorders in the first 7 months of this year already exceeded 6.9 million, or an 1.1-fold increase over the same period in 1984. The production of cameras, washing machines, and electric fans in the first 7 months of this year also increased by 42 to 90 percent over the same period last year. Compared to the sluggish growth in bicycle and wristwatch production in 1984, production in this year has been substantially improved. Output has increased by 13.7 and 15.5 percent respectively over the same period of last year.

Along with phenomenal growth in production, the quality of durable consumer goods also gradually improved. Because of advanced foreign technology and equipment imported over the past several years, the technical level of China's major durable consumer goods has rapidly approached the advanced international standard.

HU YAOBANG MOURNS XIAO HUA BY HIS DEATHBED

OW230444 Beijing XINHUA Domestic Service in Chinese 1440 GMT 22 Aug 85

[Newsletter by XINHUA reporter He Ping: "Struggling for the Party Until His Last Gasp of Air" -- on Xiao Hua, vice chairman of the CPPCC National Committee]

[Excerpts] Beijing, 21 Aug (XINHUA) -- Upon hearing the news at 0900 on 11 August 1985 that Comrade Xiao Hua was terminally ill, Comrade Hu Yaobang rushed to Beijing No 301 hospital with a heavy heart. Inside the sickroom, while watching over Xiao Hua whose life would soon be ended by merciless cancer, Hu Yaobang bent over his body and cried out in deep sorrow in Xiao Hua's ear: "You have struggled for the party and the people for several decades; the party and the people will always cherish the memory of you."

Comrade Xiao Hua was a loyal and long-tested Communist fighter of our party as well as an outstanding general of our Army. In his revolutionary career over the past half a century and more, he fought north and south on many fronts and performed deeds of valor in battle for the Chinese people's revolutionary cause. Like so many veteran fighters who had braved untold dangers throughout their lives, he continued to work hard for the party until his last gasp of air with the same fighting spirit that characterized the war years despite his suffering from a lingering disease in his later years.

Xiao Hua was elected vice chairman of the CPPCC National Committee in 1983. When he was in charge of the CPPCC National Committee's motions work, he made himself an example in carrying out investigations at the basic level units.

After the 3d Plenary Session of the 12th CPC Central Committee, while studying the "Decision of the CPC Central Committee on Economic Structural Reform," Xiao Hua pondered the question of how to integrate economic structural reform with organizational reform. He leafed through a lot of data and carried out field investigations in Shandong, Guangdong, and Hunan. He made an analysis of the question of why some localities and units had failed to correct their deficiencies in having an excessive number of administrative departments, in squabbling, overstaffing, red tape, and low efficiency. He made a number of suggestions on the organizational reform based on the need for modernization. He had planned to systematically sort out his views and report them to the central authorities. Who would have thought, however, that at this very moment cancer was quietly gnawing at his life. On 11 April, just as he finished attending the Third Session of the Sixth CPPCC National Committee, he was hospitalized. The diagnosis: cancer cells had spread from his stomach to his liver.

At approximately 1600 on 11 August, the day before his death, on his deathbed and with a feeble voice, Xiao Hua said: "For all these many years that I have been nurtured and educated by the party, I have done too little, far too little, for the party. I firmly believe that despite hardships and obstacles, the reform and modernization are sure to succeed, and communism will surely be realized...."

CYL HOLDS YOUTH FORUM ON ADMINISTRATION REFORM

HK220632 Beijing RENMIN RIBAO in Chinese 16 Aug 85 p 5

["Academic Trends" article by Ding Zhongzhu: "The Administration System Should Be Reformed"]

[Text] The CYL Committee of the state organs recently invited more than 50 youths to a forum on reform of the economic structure.

At the forum, some comrades pointed out that China's socialist economic and political systems have determined that the impact of China's state administration on the national economy is greater than that in capitalist countries. The majority of the functional departments from the central government (the State Council) to the local people's governments at all levels are the economic management departments of various kinds. Without the guarantee of the reform of the administrative system, which is at a level higher than economic reform, the reform of the economic structure with the focus on the urban economy would be unimaginable. Furthermore, one of the vital aspects of the reform of the administrative system is to transform the method of defining the administrative powers of the central and local authorities, and to make the defining of such administrative powers scientific.

The method of defining administrative powers must break with the existing state of affairs, develop from the centralization of power, which is a unitary method, to effective centralization and appropriate decentralization of power, which is a relatively scientific method, establish flexible administrative relations between the governments at various levels, and properly apply the administrative powers so that China's administration can vigorously and effectively push forward the reform of the entire economic management system. Administrative affairs concerning economic and cultural development of the localities should be handed over to the management of the local governments. Moreover, contacts between cities, between provinces, and between cities and the central authorities concerning administrative affairs should be allowed and not be restricted to the old method of division of powers in which administrative operations and examination and approval procedures are carried out level by level. Increasing administrative efficiency and bringing about economic and cultural development should be the criteria for all administrative contacts and the exercise of powers.

The comrades who spoke at the forum also pointed out that some large national-level corporations established recently are economic bodies independent of the government departments in name. In fact, they undertake the responsibility for their production and operations as well as the management and planning of the products of the same trade throughout the country. The latter has gone beyond the responsibilities of enterprises and it is the business of the government functional departments. This is another form of the practice that mingles government administration with enterprise management under the new situation.

The key to the separation of government administration from enterprise management lies in appropriately defining the responsibilities of the government and enterprise. To sum up, there are the following differences between the responsibilities of the government and those of the enterprise: First, the difference in limits of functions and powers. Government departments do not directly manage enterprises, but they undertake the responsibility of long-term development plans for the trade as a whole and coordinate all enterprises of a particular trade or that transcend a trade; while enterprises undertake responsibility for their own production and operations. The national and regional corporations should also exercise management over their branch companies (or factories) and products, but they have no right to manage the enterprises and products of other corporations. Second, the difference in the scope of responsibility. Operation of an enterprise is the responsibility of that enterprise and not of the government. The government departments should undertake responsibility for the development of the whole trade. No enterprise (including national-level corporations) should exceed its functions and meddle in others' affairs.

Owing to the difference in the limits of powers and scope of responsibility between the government and enterprise, which cannot be replaced by one another, if an enterprise performs the functions of government departments as well as engaging in its own operation, it will inevitably divert the attention of that enterprise and disturb normal operations. Consequently, nothing will be properly done. There are now large numbers of such companies, a problem that must be solved as quickly as possible in the current reform of the economic structure. The affairs of the government departments should be handed over to the government organs concerned. A corporation should become an economic entity in name as well as in reality, have its own centralized economic mechanism, and go all out to attain better economic results.

RENMIN RIBAO ON AGRICULTURAL INPUT-OUTPUT CHART

HK220658 Beijing RENMIN RIBAO in Chinese 15 Aug 85 p 2

[Report by Cao Juzhong and Cao Xiaoning: "China's First Agricultural Input-Output Chart Drawn Up"]

[Text] China has finished compiling its first agricultural input-output chart, which was appraised and approved in Beijing not long ago. The "1982 nationwide agricultural input-output chart" is the country's first nationwide agricultural input-output chart. This is the first time the input-output method has been applied in research into macroeconomic problems in agriculture. The experts concerned area of the opinion that this scientific achievement is up to international standards and that it is an orginal achievement in a certain sense.

This input-output chart was designed and compiled on the basis of the characteristics of the country's present agricultural economy. Originality was displayed in the application of the input-output theory and methodology. We have compiled an energy-based input-output chart that has never been compiled by a foreign country before and have calculated the input ratios for the production of various agricultural products as well as the ratio between organic energy input and inorganic energy input. In the course of research, we also introduced and applied a mathematical method for calculating the coefficient of the complete consumption of agricultural products with the nationwide agricultural input-output chart and the national economic input-output chart.

This research project was entrusted by the state departments responsible for interdisciplinary research into rural economics to various professional research units and the departments responsible for economic management. In the course of compiling the chart, the departments concerned adequately used the data they had collected. These data were supplemented with a sample survey of 104 counties. Thus, the data in the chart are rather representative of the country.

The compilation of the nationwide agricultural input-output chart is one of the agricultural departments' important basic tasks. It has great significance for studying input-output relations in the country's agricultural production, for improving economic results, for understanding the trends in agricultural production, for providing a macroeconomic analysis of these trends, and for probing into the laws governing agricultural production. The results and conclusions of some analyses in the chart have received attention from the departments responsible for actual work.

Short Commentary

HK220718 Beijing RENMIN RIBAO in Chinese 15 Aug 85 p 2

[**"Short"** commentary: "An Important Piece of Basic Work"]

[Text] The agricultural input-output chart is a "beneficial new idea" for the leadership departments providing macroeconomic guidance for the rural economy. The completion of the compilation of the country's first nationwide agricultural input-output chart in a way indicates that we have begun applying the scientific means and methods employed in modern economics to the management of and research into our rural economy.

Our rural economy is developing from a self-sufficient, or semi-self-sufficient, economy into a commodity economy. This development requires leaders to correspondingly change their ways of doing things. Some comrades are of the opinion that to change their ways of doing things is to directly participate in commercial activities. Thus, they only draw on the traditional "way of doing business" and simply try to change into "businessmen" from administrators. This view is quite narrow and limited. Of course, changes in the ways in which leadership is exercised do not preclude us from drawing on traditional but good "commercial practices." However, what is even more important is that we should learn something about modern economics and management and study the rural economy and organize commodity production by applying systematic and scientific methods.

In organizing production, we always have to make economic decisions and policies. Systematic quantitative analyses are an indispensable basis for economic decision-making. In the past, economic decision-making was monopolized by the state. Local leaders at various levels and producers were only required to execute mandatory plans.

However, in formulating policies and plans, the state usually paid attention to qualitative analyses at the expense of analyses of quantitative relations. There were only two options, namely, "things that should be put into effect" and "things that should not be put into effect." The principle of "simultaneously developing large, medium, and small enterprises" is not a bad one. However, in implementing this principle, attention was not paid to studying quantitative relations. Consequently, there was "extensive development" everywhere and at all times. The result of all this was great economic losses. In the past few years, seeing that a certain product has been marketable for some time in a certain part of the country, some localities have decided to mass produce the product with the result that is an excessive supply and overstocking of the product. In addition, all this has also led to extensive changes in production. This tells us that in commodity production, we should not pay attention only to "imprecise" qualitative analyses. We should supplement our qualitative analyses with systematic and precise quantitative analyses in order to make production less unguided and less risky.

The compilation of the "agricultural input-output chart" is an important basic task for the agricultural departments. It requires the attention of the leaders and the cooperation of the departments concerned. Although at present it is still unclear what its practical effect will be, it however indicates that the science of economics has great potential for serving rural economic policy-making.

NATIONAL FINANCE WORK CONFERENCE CLOSES 22 AUG

OW230500 Beijing XINHUA Domestic Service in Chinese 0742 GMT 22 Aug 85

[By reporter Chen Naijin]

[Text] Beijing, 22 Aug (XINHUA) -- The national finance work conference which closed today stressed that, aside from continuing to make vigorous efforts to boost revenues, the key to achieving balance in revenues and expenditures in 1985 is a strict tightening of control over expenditures. The financial departments at all levels must take effective measures to tighten control of expenditures.

The conference pointed out: In spite of the good picture in national revenues in the first 7 months of this year, we must not subsequently relax control over expenditures and spend freely and at will. We must understand that there are many factors which will decrease revenues in the latter half of this year, and we must pay particular attention to any possible rise in expenditures in the last few months because of wage and price reforms. In the next several months, we must tighten our belts and vigorously economize on all expenses.

The conference stressed: To achieve a balance in revenues and expenditures and to rectify the party style and social atmosphere, it is essential to enforce financial discipline and curb any unhealthy tendencies. Presently, there are too many people wearing government-issued uniforms. In accordance with the relevant regulations stipulated by the State Council, we must not freely expand the issuance of "government uniforms" and raise the cost of such uniforms. We must prohibit the use of public funds for tours. We must also prohibit the practice of double accounts to evade supervision and free-wheeling spending. We must tighten control over expenses for meetings through reducing the number of meetings, shortening their duration, and reducing the number of participants.

To eliminate this year's financial deficits, the conference decided that effective immediately all central and local departments must not make additional expenditures, that the scale of investment in capital construction projects must be strictly put under control of the state targets, and that administrative expenses and expenditures of the various social groups must be strictly curtailed in accordance with the State Council's instructions. To facilitate control over expenditures, the Ministry of Finance will issue control targets covering the annual expenditures by the provinces, autonomous regions, and municipalities, and the use of surplus funds from the previous year must also be put under control. In the localities, the portion of revenues collected in excess of financial plans must also not be used for increasing expenditures.

CHEN MUHUA ADDRESSES RURAL BANKING WORK MEETING

OW222146 Beijing XINHUA Domestic Service in Chinese 1311 GMT 21 Aug 85

[By RENMIN RIBAO reporter Lu Xiaofei and XINHUA reporter Zhou Yichang]

[Text] Beijing, 21 Aug (XINHUA) -- Chen Muhua, state councillor and concurrently president of the People's Bank of China, stressed that all local agricultural banks should rely mainly on themselves in making energetic efforts to withdraw money from circulation and ensure funds to resolve the shortfall for purchasing agricultural and sideline products during the busy season. She made this remark at a meeting on rural monetary work during the busy season, which ended today.

After fully affirming the agricultural banks' achievements in controlling the scale of credit loans in the first half of this year, Chen Muhua said: It is important to use credit loans as a lever to control the national economic growth rate. The task in this aspect for the last 4 months of this year will be more arduous than in the first 6 months because, first of all, the majority of purchases of agricultural and sideline products will be made in the autumn and, second, we are already relatively short of funds. Since purchasing agricultural and sideline products is an important matter which bears on the national economy and the people's livelihood, it should not be treated lightly, and maximum efforts should be made to ensure the necessary funds.

Chen Muhua said: Since 70 percent of the currency is in circulation in rural areas, there are great potentials for absorbing rural deposits. In order to absorb more funds, it is necessary to solve the problem of insufficient banking outlets in rural areas by promoting agent business and by making it more convenient for customers to deposit and withdraw money. She called on banks to effectively manage their funds and distribute them appropriately for short-, medium-, and long-term loans. All deposits should not be used for loans, much less long-term loans. It is necessary to reserve some funds for customers to withdraw at any time. Since transferring funds is an art of banking work, it is necessary to effectively transfer funds between localities and banks and to fully utilize the difference in time and space to increase the value of the funds in use.

Chen Muhua also stressed that it is necessary to reduce cash payments by using bank-transfer checks and bank drafts in settling accounts in accordance with the actual situation in each locality. She said: Agricultural banks should coordinate with credit loan and supply-and-marketing departments in using transfer checks to settle accounts. After the peasants sell agricultural and sideline products, they may use the transfer checks to purchase goods, make deposits, or repay loans. Furthermore, it is also necessary to step up the management of funds of credit cooperatives and offer active guidance to collective and individual funds.

As for the unhealthy tendency of using loans to seek personal gains in some localities, Chen Muhua pointed out in sad earnest that such unhealthy practice must be firmly stopped; otherwise, it will ruin a number of cadres. She said: The banks have always been known for their strict system and discipline. Due to their lax system and discipline in recent years, some people have recklessly violated law and discipline. We must guard against such black sheep among us. In the course of party rectification, it is necessary to rectify unhealthy tendencies, sum up experience and lessons, and improve the rules and regulations.

FIRST FOREIGN BANK BRANCH APPROVED FOR SHENZHEN

OW210836 Beijing XINHUA in English 0701 GMT 21 Aug 85

[Text] Beijing, August 21 (XINHUA) -- The People's Bank of China, the country's central bank, has approved the establishment of the first branch of a foreign bank in China since 1949. The Hong Kong and Shanghai Banking Corporation, a leading bank in Hong Kong, will set up a branch in the Shenzhen Special Economic Zone, south of Guangzhou, capital of Guangdong Province.

A number of other foreign banks have applied to open branches in China's special economic zones. A People's Bank official says that China welcomes Overseas Chinese and foreign banks with good credit standing and fine relations with China to do so and that the applications will be studied and approved according to plan.

"China now allows branches to be set up only in the special economic zones," the official says. "Whether they will be allowed in other coastal cities open to foreign investment in the future will depend on the need of China's economic development."

The Hong Kong and Shanghai Banking Corporation's Shenzhen branch is permitted to provide foreign exchange loans for enterprises and individuals in China; handle export transactions, exchange foreign currency, issue guarantees and offer advice; deal with outward-bound remittances, settle import transactions and foreign exchange deposits by enterprises involving overseas investment; and handle foreign currency deposits and investment by foreigners, Overseas Chinese and people from Hong Kong and Macao.

Another new banking firm involving overseas capital recently approved is the Xiamen International Bank, a Sino-foreign joint venture in the Xiamen Special Economic Zone. It was jointly formed by the Fujian branch of the Industrial and Commercial Bank of China, the Fujian Investment and Enterprise Corporation, the Xiamen Construction and Development Corporation and the Panin Holdings Ltd. of Hong Kong.

All foreign banks in the special economic zones must follow the exchange rates announced by the State Administration of Exchange Control and the interest rates of the local branches of the People's Bank of China, the official says.

Outside of the special economic zones, however, foreign banks are allowed to set up only representative offices which are mainly involved in liaison and consultancy services. So far, over 70 foreign banks have set up 140 such offices in Beijing, Shanghai, Guangzhou and Shenzhen. Four foreign bank branches, which were opened in Shanghai before 1949, have been allowed to exist since liberation, but the scope of their business has been very limited.

SONG JIAN OUTLINES PLAN FOR S&T LEGISLATION

OW211520 Beijing XINHUA in English 1442 GMT 21 Aug 85

[Text] Beijing, August 21 (XINHUA) -- China is working out legislation to protect the rights of scientists, according to the minister of the State Science and Technology Commission, Song Jian.

Minister Song revealed this at a national forum on legislative work in science and technology which opened here today. He said China was working out laws on technology which would protect scientists as well as technological transfer.

Song said the State Science and Technology Commission had set up a body in charge of drafting laws concerning science and technology. Such laws would spur the country's reform in management of science and technology and allow it to better serve economic development. He said technical trade fairs had helped the interflow of scientific findings.

Hu Keshi, vice-chairman of the Education, Science, Culture and Public Health Committee of the National People's Congress, said at the forum that present laws and regulations could not keep abreast of the country's development in science and technology. He regarded legal measures as imperative to ensure the role of science in China's four modernizations drive.

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The forum, jointly called by the State Science and Technology Commission and the Education, Science, Culture and Public Health Committee of the National People's Congress, is being attended by 160 specialists from across the country. During the eight-day meeting, they will discuss a draft law on technical contracts and plans for other legislation concerning science.

ZHANG JINGFU ON ENFORCING FOOD HYGIENE LAW

OW222158 Beijing XINHUA Domestic Service in Chinese 1433 GMT 22 Aug 85

[Text] Beijing, 22 Aug (XINHUA) -- Addressing a national meeting on exchanging experience in enforcing the "food hygiene law," which ended today, State Councillor Zhang Jingfu said: The quality of food is very important. We should never relax our efforts to supervise food hygiene and should persistently carry out this protracted task to the benefit of the people.

He said: Food failing to meet sanitation standards is not in keeping with material civilization, much less spiritual civilization. The "food hygiene law" plays an important role in guiding food production and management, supervising food hygiene, and ensuring safe food for the people. It is the responsibility of governments and departments concerned at various levels to ensure that food is safe and hygienic. They must pay keen attention to quality and place it above anything else in separating government from enterprise functions during the ongoing economic structural reform.

The 6-day meeting was jointly sponsored by the Ministries of Public Health, Commerce, Light Industry, Agriculture, Animal Husbandry and Fishery, Railways, Communications, Chemical Industry, and Foreign Economic Relations and Trade, the State Administration for Industry and Commerce, and the All-China Federation of Trade Unions. The meeting stressed that all departments concerned must make concerted efforts to supervise the good hygiene work of each department or trade by combining state, department, and mass supervision. It is currently necessary to focus on intensifying the supervision over the food catering business, individual food peddlers, and food hygiene in the marketplace. It is necessary to check and register food with medical additives sold on the market and to resolutely ban food that is hazardous to people's health. Those who refuse to observe the ban will be investigated to determine their legal responsibility. From now on the production and marketing of food with medical additives must be approved by a food hygiene supervisory department.

The meeting called on governments at various levels to earnestly implement the "food hygiene law," conduct regular inspections, support the work of food hygiene supervisory personnel, and effectively solve problems in enforcing the law. All departments concerned must publicize the "food hygiene law" and knowledge on food hygiene so that all food producers and managers can conscientiously abide by the law.

The meeting also presented plaques and certificates to 363 advanced units and 68 advanced individuals for their efforts to enforce the "food hygiene law."

ZHANG JINGFU, LU DONG ATTEND OIL MINING SHOW

OW192130 Beijing XINHUA Domestic Service in Chinese 0857 GMT 19 Aug 85

[By reporter Li Anding]

[Text] Beijing, 19 Aug (XINHUA) -- An exhibition of marine petroleum development equipment opened at the Beijing Exhibition Hall today. Zhang Jingfu, state councillor; and Lu Dong, minister in charge of the State Economic Commission, and others attended the opening ceremony.

On display at the exhibition, which is sponsored by the Marine Oil Development Equipment Leading Group under the State Economic Commission, is equipment for tapping seabed oil resources produced by 12 industrial and scientific research departments and over 200 enterprises.

Actual pieces of equipment, pictures and models are used to display a large number of products which are technologically advanced both by domestic and foreign standards. Among these pieces of equipment are a self-rising and semisubmerged drilling platform produced by the China State Shipbuilding Corporation, a 6,000-meter drilling machine and wellhead installation manufactured by the machinery departments, a satellite communications system and radio navigational and positioning equipment produced by the electronics departments, helicopters produced by the aviation departments, and diving and lifesaving equipment produced by the communications department. The exhibition will close on 25 August.

JINGJI RIBAO EDITORIAL ON DEVELOPING WESTERN CHINA

HK221555 Beijing JINGJI RIBAO in Chinese 20 Aug 85 p 1

[Editorial: "Making Use of Its Own Favorable Conditions Gives Western China a Bright Future"]

[Text] The development of the economy in western China is an important aspect of the all-round work of our country's four modernizations program. How are we to invigorate this aspect of work? The economic development seminar on western China reached a fundamental and unified understanding of the guiding thoughts on the development and construction of the west in light of the all-round situation.

The development and construction of the west requires unified planning, arrangements and financial support from the state. However, according to the strategic plans of the central authorities, it is now and will be impossible for a time for the state to allocate more funds for large-scale construction in the west. Therefore, in order to develop the economy in western China, we should vigorously grasp the opportunity of the economic structural reform, act in light of local conditions, tap our latent potential, give play to favorable local conditions, implement the policies of opening up to the outside world and enlivening the domestic economy, heighten western China's internal capacity for economic growth, make good preparations for shifting the focus of state construction, and satisfactorily grasp the current economic work.

The reason our guiding thought on developing the economy in western China is based on giving play to the area's favorable conditions is because western China has already been provided with a fairly sound material foundation for carrying out the reform and because it not only has the advantage of latent material resources that can be exploited for the area's development, but also has favorable economic conditions that have emerged after 30 years of construction. For example, it has nearly all kinds of industrial enterprises, including a number of large and medium-sized enterprises with advanced administration, management, and products, it has relatively concentrated scientific, technological, and management personnel, it has a number of key cities that have an attraction and influence and a capacity to provide all-round services, and the capital construction that has been carried out there in its agriculture and animal husbandry, particularly animal husbandry, is important for the whole country. All these have prepared and laid foundation for the large-scale development of western China.

Focusing on giving play to their own advantages, the various western provinces and regions are now grasping the following aspects of work: halting the continuously worsening destruction of the ecology, solving the problems related to food and clothing of the masses of people, readjusting the composition of agriculture, helping peasants to become rich, and enlivening the market, urging, through reform and tapping potential, the large and medium-sized enterprises (including defense industrial enterprises) to merge into the local economy and heighten their ability to accumulate funds, spending their limited funds for the construction of the projects that require little investment and that bring quick results and for the technological transformation of their existing enterprises as well as heightening their capacity for growth in accumulating funds, relying on advanced science and technology, adopting diverse methods to train personnel, and improving the quality of their cadre ranks and masses of people, grasping the work of opening up to the outside world and to domestic areas, improving the investment environment and the environment for personnel, and creating conditions for attracting funds, personnel, and technology, and so on. If they satisfactorily do these aspects of their work, they will greatly raise their economic results and enhance their economic strength, and thus prepare for the large-scale construction in the future.

During the past few years, western China has gradually opened its door to all other areas in the country and conducted east-west "dialogue" and cooperation. Practice has shown that this is the most effective method to develop the local economy. Common economic interests are a strong impetus and lever for the cooperation between eastern and western China and the policy of benefiting each other is a regional policy to urge an all-round and thorough development of this cooperation. When eastern and western China both give play to their own advantages, help overcome each other's deficiencies, and cooperate with each other on the principle of equality and mutual benefit, they will cause all areas in our country to develop in harmony and enjoy common prosperity.

There are favorable factors and potential to tap in western China. There are fine prospects for the development of western China.

OVERSEAS CONSTRUCTION, LABOR CONTRACTS INCREASE

OW160853 Beijing XINHUA Domestic Service in Chinese 0934 GMT 14 Aug 85

[Text] Beijing, 14 Aug (XINHUA) -- Information from departments concerned reveals that China made new progress in contracting for overseas construction and labor services in the first half of this year. The contracts signed were worth some \$700 million, an increase of 37.3 percent over the same period in 1984. By the end of June, over 50,000 Chinese workers were working overseas.

China is a relative latecomer in the business of contracting for overseas projects and labor services. But, it has always upheld the basic principle of "dependability, quality, small profit margin, and honesty." It has therefore enjoyed high international prestige and continuously expanded its overseas contract business.

Last year, China signed a total of \$1.73 billion worth of overseas construction and labor contracts, ranking 10th in the world in this field. Today, China has organized over 50 overseas contract companies and signed many kinds of construction and labor service contracts with government agencies and civilian enterprises in over 70 countries.

HAINAN CORPORATION PRAISED FOR CORRECT IDEOLOGY

HK230204 Haikou Hainan Island Service in Mandarin 0400 GMT 20 Aug 15

[Text] The Hainan Material Supply Corporation constantly corrects ideology guiding work and has done well in supplying materials. Last year, when the whole island indulged in speculating in imported cars, the corporation sought no ill-gotten wealth, but rather upheld the practice of using limited foreign exchange to purchase building materials, thereby maintaining its material supply for the island's key construction projects and producing favorable economic results. Consequently, the corporation was prised by higher authorities.

In the first half of this year, the corporation continued to do a good job of supplying materials. Its sales volume and profits were increased by 7 and 57.7 percent respectively compared to the same period last year. The corporation has continued to perform in accordance with its actual conditions and studied the decisions of the CPC Central Committee and the provincial CPC Committee on handling Hainan's mistake of speculating on a large scale in imported cars and other materials. The corporation has thus achieved a deeper understanding and become determined to uphold the correct concept and to further correct the ideology which guides its work. The corporation has as a result made greater contributions toward developing and building Hainan.

GUANGZHOU AIR FORCE PRAISED ON REORGANIZATION

HK220554 Guangzhou NANFANG RIBAO in Chinese 20 Aug 85 p 1

[Report by Li Yongchao "Party Committee of the Guangzhou Air Force Holds an Enlarged Meeting To Make Arrangements for Troops Streamlining and Reorganization Work"]

[Text] You Taizhong, commander of the Guangzhou Military Region, Zhang Zhongxian, political commissar of the military region, Lin Ruo, secretary of the Guangdong Provincial CPC Committee, and Liang Lingguang, governor, met all the comrades attending the enlarged session of the party committee of the Guangzhou Air Force at the Guangzhou Air Force auditorium and delivered speeches on the morning of 19 August.

The current enlarged meeting of the Guangzhou Air Force is chiefly devoted to planning for the specific implementation of the troop streamlining and reorganization. Major leading cadres of all units under the Guangzhou Air Force participated in the meeting. On the morning of 19 August, You Taizhong, on behalf of the CPC Committee of the Guangzhou Military Region, delivered a speech on the tasks and characteristics of troop streamlining and reorganization, in particular on taking the whole situation into consideration. Lin Ruo, on behalf of the Guangdong Provincial CPC Committee and government and the people of the whole province, highly praised the contributions made by the Guangzhou Air Force troops in supporting local economic construction, rushing to deal with emergencies and providing disaster relief, and unfolding activities in building civilization with the joint efforts of the Army and the people. He stressed that the localities should do a still better job in supporting the Army and in giving preferential treatment to families of revolutionary soldiers and martyrs, in making job arrangements for demobilized cadres and soldiers, and in supporting the work of troop streamlining and reorganization. Liu Feng, political commissar of the Guangzhou Air Force, spoke on behalf of comrades attending the enlarged meeting, saying they were determined to live up to the cordial concern of the leading comrades of the military region and the provincial CPC Committee and to work still harder in order to ensure the successful fulfillment of the tasks for troop streamlining and reorganization.

GUANGDONG MEETS ON AIDING TRANSFERRING CADRES

HK220644 Guangzhou NANFANG RIBAO in Chinese 20 Aug 85 p 1

[Report by Wang Shougao and Wen Kelin: "The Army and Local Governments Should Make Concerted Efforts in Making Sound Arrangements for Cadres Transferred to Civilian Jobs"]

[Text] Yesterday in Guangzhou, the provincial Personnel Affairs Bureau convened a meeting for various military regions, service arms, organs of the general headquarters, and military academies. The participants went to Guangdong to discuss matters concerning the army group for transferring cadres. The meeting conveyed the instructions of the provincial CPC Committee and the provincial government on making arrangement for cadres transferred to civilian jobs. The meeting also urged the Army and various localities to make concerted efforts in making arrangements for cadres transferred to civilian jobs.

Since Guangdong implemented the work of opening up to the outside and invigorating its internal economy, its economic development has been rather rapid. Recently, more cadres who are being transferred to civilian jobs have asked to be assigned work in Guangdong. Therefore, the province's arrangement work is more arduous than before. Both the provincial CPC Committee and provincial government attach great importance to this issue. At a recent meeting, the responsible comrades of the provincial CPC Committee urged all localities to regard the work of making arrangements for Army cadres transferred to civilian jobs an important task for the second half of this year. They urged all localities to warmly greet, actively recruit, seriously provide training for, and rationally use these cadres.

It has been learned that in order to do a good job in this year's work of making arrangements for them, various localities have strengthened their supervisions over the work, have augmented the organizations, and have proposed some practical methods for the arrangement. At present, the province is making preparations for establishing a training center for cadres transferred to civilian jobs to help them quickly get familiar with local conditions, give play to their wisdom, and make contributions to the four modernizations. The meeting conveyed the conditions for being transferred into Guangdong Province and Guangzhou City. It also commended cadres who have given consideration to intellectuals and who have made contributions to building the Army. In addition, the meeting urged the Army party committees at various levels, as well as the army group for transferring cadres, to support the work of localities and to make joint efforts in fulfilling this year's arrangement task.

GUANGXI IMPLEMENTS POLICIES TOWARD INTELLECTUALS

HK211603 Nanning Guangxi Regional Service in Mandarin 1130 GMT 19 Aug 85

[Excerpts] The region's party organizations at various levels have seriously implemented the party's policies toward intellectuals so that the intellectuals have peace of mind and an enhanced spirit and have contributed more to the prompt invigoration of the economy of Guangxi.

In regard to politics, the region's party organizations at various levels are concerned about and trust intellectuals. They have further eliminated the long-standing leftist influence, corrected the bias against intellectuals, and greatly publicized the fact that intellectuals are part of the working class, the foundation of the socialist cause, and the representatives of advanced productive forces.

At the same time, they have educated cadres and masses on the party's policies toward intellectuals, so that the idea of respecting knowledge and qualified personnel takes root in the hearts of the people.

The leadership at various levels has strengthened its sense of responsibility for and urgency in implementing the policies toward intellectuals. They have solved, in connection with the regulations, a large number of problems left over from the past.

Over the past 2 years the region has handled over 3,400 cases of miscarriage of justice. The region has also basically solved the cases in which relatives and children of the victims were also involved. It has sorted out a number of documents about intellectuals-cadres. Most of the wages withheld during the Cultural Revolution have been paid and the region is gradually resolving the issue of returning to them property illegally occupied by others during that time. Both the political and social status of intellectuals have been greatly improved.

In addition, the region's party organizations at various levels have strived to improve the working and living conditions of intellectuals. In order to improve their working conditions, many units have expanded their offices, laboratories, and libraries; have installed necessary equipment, instruments, and reference materials; and have given priority to the applications of technician-cadres for leave, sick leave, use of vehicles, and enrollment of children in schools or nurseries. Many units have also worked out plans and regulations for scientific and technological personnel to take refresher courses or studies or to do research elsewhere.

The organizations have also done a lot to improve the living conditions of intellectuals. The region has increased wages for more than 7,000 intellectuals, and provides subsidies to 48 intellectuals who are working in the remote and mountainous areas. The region has also handled over 30,000 applications for changing their relatives' household registration from peasant to non-peasant, has solved a large number of cases in which intellectual couples live in two separate places, and has overcome difficulties in intellectuals' lodging.

GUANGXI APPROVES TECHNOLOGICAL ADVANCEMENT PLANS

HK200641 Nanning Guangxi Regional Service in Mandarin 1130 GMT 16 Aug 85

[Text] In order to promote technological advancement, quicken the pace of transforming and bringing in technology for enterprises, raise economic efficiency, and develop industrial production, the regional people's government recently approved the provisional regulations formulated by the regional economics committee on promoting technological advancement.

The regulations pointed out that it is necessary to focus industrial production and construction on technological transformation of existing enterprises and on renovation and expansion related to technological transformation, so as to promote, in a planned way, the step by step technological advancement of enterprises.

The regulations stress that enterprises should have decision-making power in promoting technological advancement. Under the guidance of the state's technological policies and the plan for promoting technological advancement in trades, enterprises have the power to: 1) decide on their own methods of technological development; 2) formulate plans for upgrading the quality of their products and developing new products and technology in accordance with the demand in technology and production and the demand in overseas and domestic markets.

Where human, material, and financial resources allow, they may arrange their own plans for carrying out technological transformation, technological renovation, and technological training, and for tackling difficult technological problems within the limits of enterprises' power in examination and approval.

The regulations state that Nanning, Liuzhou, and Beihai cities have the power to examine and approve technological transformation projects under 10 million yuan. Other cities directly under the regional authorities have the power to examine and approve technological transformation projects under 5 million yuan. Regional departments and all prefectures have the power to examine and approve technological transformation projects under 3 million yuan.

The regulations restate that enterprises may repay their loans to banks with their own profits, funds raised by themselves, and [words indistinct]. Those enterprises that have difficulty repaying loans may, with the approval of the relevant departments, use taxes on new products to repay the loans. As for some projects which are very useful to society but bring little income to enterprises, the enterprises concerned may repay their loans 5 years after the completion of the projects. If one or two enterprises still have difficulty repaying loans, they may repay loans 7 years after the completion of the projects.

The regulations state that preferential policies will be adopted to develop new products. During the trial production period, in selling new products which are covered by the trial production plans of any industry, state commission, regional science and technology committee, or regional economics committee, the enterprises concerned may, with the approval of the relevant departments, be exempted from the product tax and value-added tax for 1 to 2 years. If the profit rate of the new products is less than 5 percent 1 or 2 years after the formal production of the new products, the enterprises concerned may, with the approval of the financial and taxation departments at the same level, be granted a reduction of or exemption from the income tax and regulatory business tax, and the money saved can be retained by them as funds for trial production of new products.

In the document of the regional people's government on approving the provisional regulations formulated by the regional economic committee on promoting technological advancement, some specific stipulations have been made on adopting policies of good prices for fine-quality products, on doing good early-stage work for technological transformation projects and projects of bringing in technology, on giving awards to units and people participating in outstanding projects, and on strengthening leadership.

SICHUAN OUTLINES PATH TO EDUCATION REFORM

HK230550 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 22 Aug 85

[Text] The provincial work conference on education concluded yesterday afternoon in Chengdu. Through the study of the decision of the CPC Central Committee on reforming the education structure, as well as the remarks of the central leading comrades, the participants got a deeper understanding of the urgency of developing and reforming education. They clarified the direction and task of reforming education.

At the same time, by taking into consideration the actual conditions of the province, the participants seriously studied ways for acting in the spirit of the decision of the CPC Central Committee. They discussed and revised seven policy documents, including those for introducing a 9-year universal compulsory education plan, developing vocational education, reforming higher education, improving the quality of teachers, and levying surcharges for developing education.

Nie Ronggui, deputy secretary of the provincial CPC Committee, presided over the concluding session. Yang Rudai, secretary of the provincial CPC Committee, made a summation speech, and Governor Jiang Minkuan also spoke.

The meeting was also attended by responsible comrades of the provincial CPC Advisory Commission, the Chengdu Military Region, the provincial Planning Commission, the provincial People's Congress, the provincial government, the provincial CPPCC, and the provincial military district; representatives of democratic parties; celebrities of education circles; responsible persons of the central units' lecturers' group stationed in the province; and representatives of departments concerned under the State Education Commission. They included Fu Quanyou, Feng Yuanwei, Xu Mengxia, Gu Jinchi, Kang Zhenhuang, Xu Chuan, Peng Dixian, (Ke Zhao), Liu Yunbo, Wang Ao, Zhang Wenqing, (Zhang Yuqing), (Pan Zhe) and (Bai Jinyi).

In his speech, Comrade Yang Rudai stressed: Socialist construction must depend on education, because the results of education play a decisive role in promoting further scientific and technological progress, as well as developing future economic construction. The provincial CPC Committee has decided to save money for developing education rather than building factories. Party committees and governments at various levels must grasp education, which is a major strategic point, firmly and well.

In addition, on behalf of the provincial CPC Committee, Comrade Yang Rudai paid sincere tribute to teachers and education workers who work in the province's schools.

Comrade Jiang Minkuan also spoke at the meeting. He said: The development of education is the most important capital construction, and investment in intelligence is also strategic. In order to invigorate the economy of Sichuan, we must first invigorate education here. Only thus can Sichuan experience strong economic development or realize the provincial CPC Committee's goal of attaining prosperity and improving the province's status. Starting this year, all local governments in the province must, using the funds allocated for education, implement to the letter the two growths proposed in the CPC Central Committee decision on reforming the educational structure. Governments should increase the total invested in education and promote its development.

I. 23 Aug 85

PRC REGIONAL AFFAIRS
NORTH REGION

R 1

BEIJING PLANT LEADERS FIRED FOR DERELICTION

OW210655 Beijing XINHUA Domestic Service in Chinese 1527 GMT 20 Aug 85

[Text] Beijing, 20 Aug (XINHUA) -- The quality of Flying Arrow brand steel files, a famous brand product of the Beijing steel file plant, has seriously declined. Zhang Mingliang, secretary of the plant party committee, and Jiang Zhenwei, plant director, were dismissed on the spot on 18 August on charges of dereliction of duty by the Beijing Municipal Engineering Industrial General Company. Both are awaiting further investigations.

Since winning a state silver medal for quality in 1982, the Flying Arrow brand steel file has been enjoying extensive sales in over 40 counties and regions. However, its quality has been steadily declining since last year. During the first half of this year, only 55 percent of the steel files produced by the plant were rated grade-A; of the 400,000 steel files it produced in June, 270,000 were either discarded or rejected. Poor quality has caused a huge overstock of unsold files at the plant. Initial calculations have put the plant's losses at 800,000 yuan in the first half of this year. In July, the plant had to obtain loans to pay wages.

According to the results of an investigation by the Beijing Municipal Engineering Industrial General Company, the sharp decline in quality of the silver-medal product of the Beijing steel file plant is primarily a result of dereliction of duty by the plant leaders. Plant director Jiang Zhenwei has run the plant on the basis of highly incorrect ideas. Since the latter half of last year, arrangements were made at the plant's middle-level cadres meetings for the various workshops to canvass business orders from outside, with the income obtained to be divided 40-60 between the workshops and the plant. The result was that all the plant's five workshops and six operational sections and offices contracted processing work from outside. Even the political sections and offices contracted outside to dig electric cable trenches. With the plant director's approval, the plant's machinery maintenance workshop, instead of repairing and maintaining plant equipment, devoted most of its energy to producing carpenter's planes. This resulted in half of the plant's equipment operating with serious mechanical problems. Extremely disgruntled because his request for a familiarization trip abroad was rejected by the higher authorities, Zhan Mingliang, secretary of the plant party committee, totally neglected his duties and repeatedly said he wanted to "do some traveling to relieve the boredom of work." Thus, in mid-April, accompanied by three persons each from the plant's organization and propaganda departments and sales section, he took off for a 2-week tour of Chongqing, Wuhan, Guangzhou, and Zhuhai under the pretext of a "familiarization trip." Immediately upon his return, he took sick leave and then did not return to work until mid-June, alleging that he was attending a buyers meeting in Beidaihe. Some plant inspection personnel wanted to strengthen quality control, but they were truculently censured by the plant leaders. Under such circumstances, plant production and management have been in total chaos. No one seems to be in charge of anything from the handling of raw and processed materials, the processing of products, to the inspection and shipment of finished products. The most serious incident took place last November when plant director Zhang Zhenwei signed an agreement with the Beijing Municipal Hardware Company to sell the plant's grade-B products by mixing them in packages of grade-A products to cheat customers.

HEBEI'S XING CHONGZHI SPEAKS ON EDUCATION

SK220313 Shijiazhuang HEBEI RIBAO in Chinese 21 Jul 85 pp 1, 2

[Text] The provincial educational work conference held a session on the morning of 20 July. Xing Chongzhi, secretary of the provincial CPC Committee, delivered a speech at the session.

He pointed out that education is an important matter for the whole situation of the four modernizations as well as for the long-term and basic interests of the party and the country, and a historical task that can be accomplished through the concerted efforts of the whole party. The whole party must attend to education as it attended to the economy.

Attending the session were leading comrades of the provincial CPC Committee, the provincial Advisory Commission, the Standing Committee of the provincial People's Congress, the provincial government, and the provincial CPPCC Committee, including Xing Chongzhi, Yang Zejiang, Sun Guozhi, Li Feng, Lu Chuanzan, Liu Ronghui, Chen Yujie, Wu Qingcheng, Guo Zhi, Zhang Kerang, Fan Chengxiao, Wang Zuwu, Hong Yi, and Xu Chunxing. Chen Yujie, Standing Committee member of the provincial CPC Committee and director of the Scientific Educational Department, presided over the session.

Comrade Xing Chongzhi dealt with seven issues in his speech. With regard to the first issue concerning correctly understanding the province's educational situation, he said: We must recognize that although marked progress has been made in our educational undertakings over the past 2 years, the entire educational situation still fails to meet the needs of the province's economic and social development. We must grasp well the opportune moment to implement "the CPC Central Committee's decision on the reform of the educational system," and must make concerted efforts to develop our province's educational undertakings.

With regard to the second issue concerning the departments at all levels and the whole party managing education, he said that only when we foster the idea of relying on education to engage in socialist construction and the idea of shifting the focus of work, including the focus of educational work, and when we regard education as an organic component of economic, technological, and social development can we have reserve strength to conduct the economic construction as well as a reliable guarantee for the realization of the grand goal of the four modernizations. Therefore, we must firmly attend to education, which is regarded as a way to vitalize the country and a principle of administering the province, with a spirit of holding a high degree of responsibility for the great cause of four modernizations and for the coming generations. The whole party must attend to education. The whole party -- from the provincial CPC Committee to the grass-roots party branches -- the governments at all levels, and all departments must engage in developing educational work. In particular, principal responsible comrades of the CPC committees and the governments should personally and conscientiously engage in the work. We must not only concentrate a period of time on attending to it but we must also vigorously and unswervingly conduct the educational work as we conducted the economic work. Comrade Deng Xiaoping said: "Leaders who neglect education lack foresight and experience and are not able to lead the modernizations." Party and government leading comrades at all levels must take these remarks as their mottos, encourage themselves, conscientiously accept this test, and judge themselves whether or not they are qualified to be experienced leaders. From now on, we must take it as an important measure in judging the party committees and leaders whether or not they pay attention to education and make achievements in educational work.

The third issue set forth by Comrade Xing Chongzhi concerned giving a free rein to education. He said: We are now in the age of reform. The fundamental way out for education lies in reform. In order to give free rein to conducting reforms, we must eliminate old conventions that do not conform to the decision of the central authority, traditional educational ideas, and outdated ideas. In the past, we only concentrated on "one pattern" and "one way" to run education. Our goal for attending primary school was to enter middle school and our goal for attending middle school was to enter a university. Now we clearly understand that the basic goal for running education is to upgrade the quality of the nation's people and to cultivate a large group of talented persons in various fields. Leaders as well as cadres, and workers as well as peasants should accept education.

Making basic education universal is the foundation as well as a sign of modern civilization. Every citizen must accept education. In order to attain this goal, we must eliminate previous rigid patterns and traditional ideas.

The fourth issue in Comrade Xing Chongzhi's speech concerned attaching importance to education by seeking truth from facts. He said that seeking truth from facts is the party's ideological line. We must persistently proceed from the objective reality of our province's economic and social development to reform the educational system and to develop educational undertakings. We should concentrate efforts on and make solid progress in educational work. Taking the overall educational situation into consideration, making the 9-year compulsory education universal is the focus of the entire work. Regarding the reform of the secondary educational structure, we should concentrate on vigorously developing vocational technical education. The educational fronts at different levels throughout the province should make concerted efforts to cultivate the ranks of teachers. This is a matter of greatest importance as well as the key to cultivating more excellent talented persons.

The fifth issue in Comrade Xing Chongzhi's speech concerned carrying out more substantial work and uttering fewer empty words. Comrade Deng Xiaoping's instruction on "uttering fewer empty words and carrying out more substantial work" is an important principle of leadership that leaders must abide by. From now on, we must regard whether or not leaders at all levels can solve practical problems through developing education as an important criterion for judging their ideology and work style.

Comrade Xing Chongzhi declared that the provincial CPC Committee and the provincial government will do eight substantial deeds to develop education in the latter half of this year. 1) We should allocate 10 million yuan from the province's reserve financial resources to support mountainous, old revolutionary, frontier, and poverty-stricken areas to develop educational undertakings. A portion of the funds is planned for developing normal education and improving the housing conditions of some university teachers. 2) Provincial-level departments should be motivated by the spirit of those who have money giving money and those who have materials giving materials to support mountainous, old revolutionary, border, and poverty-stricken areas to develop educational undertakings. Institutions of higher learning and enterprises and establishments should make an inventory of warehouses to give unused equipment, instrument, and materials to the primary and middle schools in mountainous areas. 3) Provincial-level organs and scientific research units should transfer 150 persons, organize a lecture group, and go to the grass roots to help conduct the work of cultivating teachers. 4) In order to strengthen the construction of the ranks of teachers in mountainous, old revolutionary, border, and poverty-stricken areas, we should choose a fixed number of excellent teachers from people-run schools and transfer them to state-run schools every year. Cost of living subsidies must be allocated to graduates of universities and secondary specialized schools who engage in educational work in these areas. After a 5-year service in these areas, they will be allowed to move to other places and their children will be allowed to study in urban areas. 5) We should ceremoniously celebrate Teachers' Day and simultaneously issue "gardeners' awards." Before Teachers' Day, we should issue the readjusted wages to teachers of primary and middle schools and nursery schools. Every Teachers' Day and Spring Festival, responsible comrades of the provincial CPC Committee and the provincial government should extend greetings to teachers; regard visiting them, listening to their opinions, and helping them solve practical problems as an important part of their investigation work; simultaneously form a system; and persistently conduct it. 6) Certificates of honor must be issued to teachers who have worked at different kinds of schools at different levels for 30 years or so. Of them, retired nursery, primary, and middle school teachers will receive a lump sum payment equivalent to their earnings as teachers.

7) Residence registration may be changed from rural to urban areas among those at or below 16 years of age when both parents are state staff workers after one or both of them is transferred from a people-run school to a state-run school. 8) Before Teachers' Day, we should solve the problem of being in arrears with wages for people-run school teachers over a long period of time. The localities with real economic difficulties will be partially subsidized by the province and partially by the counties to solve these problems.

He said: The provincial CPC Committee called on provincial-level departments concerned, prefectures, cities, counties, and townships to make proper arrangements for developing educational work. The provincial CPC Committee and the provincial government plan to organize personnel to conduct investigations. Those who have done a good job should be commended and those who have failed to do their work well should be criticized. Those who cause serious consequences because of their irresponsibility should be called to account.

With regard to the sixth issue concerning trying all means to serve the grass roots and schools, Comrade King Chongzhi said: Under the new situation of the entire party attending to education, higher demands have been set on comrades on the educational front. Educational departments at all levels are urged to firmly foster an idea of wholeheartedly serving the grass roots and schools, to be good advisers and assistants to the CPC Committees, and to ceaselessly make contributions to reforming the educational system.

The seventh issue in Comrade King Chongzhi's speech concerned paying full attention to the development of the leading bodies of educational departments and schools. He pointed out: The educational system reform has set forth higher demands on leading bodies. At present, with principles for reforming the educational system, we should concentrate on further developing the leading bodies at all levels well. In addition, we should ceaselessly promote the excellent young and middle-aged intellectuals to leading bodies at all levels who have both ability and political integrity, who understand the educational law, who are enthusiastic in educational undertakings, who are full of youthful spirit, and who are eager to conduct reforms. Party committees and educational departments at all levels should conscientiously investigate the political and ideological qualities of current school principals of different categories as well as their abilities as professionals and their work environments. Those principals who are not very competent in their jobs should be readjusted in a timely manner.

After Comrade King Chongzhi finished his speech, a ceremony was held to issue certificates of qualification to those who have made primary education universal. Wang Zuwu, vice governor of the provincial government, declared that CPC committees and governments at all levels took a series of measures promoting the development of making primary education universal after the CPC Central Committee and State Council assigned the "Decision on Several Questions Concerning Making Primary School Education Universal." Over the past 2 years, on the basis of conducting self-investigations and through joint investigations and acceptance tests of the province and prefectures (cities), 102 cities, districts, and counties have attained the basic requirements for making primary education universal. The provincial government issued certificates of qualification to these units.

Chen Yujie, Standing Committee member and director of the scientific education department, declared that organs directly under the central authority will transfer 193 party and government cadres to our province to help train primary and middle school teachers. The provincial CPC Committee recently decided to choose 150 party and government cadres from provincial-level organs and organize a group to engage in the work of cultivating primary and middle school teachers.

JILIN'S GAO DI VISITS FLOOD PREVENTION CENTER

SK211002 Changchun Jilin Provincial Service in Mandarin 2200 GMT 20 Aug 85

[Text] At 0030 on 21 August, Gao Di, secretary of the provincial CPC Committee, visited the office of the provincial Flood Prevention Headquarters to extend regards to the comrades on duty and to understand the flood situation. Then Comrade Gao Di visited comrades at the Changchun City Urban Flood Prevention Headquarters to understand the flood prevention work. He called on flood prevention headquarters at all levels throughout the province to make good preparations for meeting the approaching typhoon No 10. Then he discussed the dangerous situation of Erdaohezi District and the Yitong He.

At 2400 on 20 August, Wang Jinshang, vice governor of the provincial government, visited Erdaohezi District of Changchun City to view the dangerous situation.

Speaks at Emergency Meeting

SK221145 Changchun Jilin Provincial Service in Mandarin 1030 GMT 21 Aug 85

[Text] This afternoon the provincial CPC Committee and the provincial government held an emergency telephone conference, calling on party members, cadres, and the masses throughout the province to take immediate action to conduct flood-combat, emergency, and self-salvation work. The conference was presided over by Gao Dezhān, provincial governor.

[Begin recording] [Gao Dezhān] Comrade Gao Di has been invited to make a plan for arranging and mobilizing the next step flood-combat, disaster relief, emergency, and self-salvation work at today's emergency telephone conference. Now we will ask Comrade Gao Di to deliver a speech.

[Gao Di] Comrades, today's emergency telephone conference on combating floods and providing disaster relief has been convened in accordance with the decision set forth at the enlarged Standing Committee meeting of the provincial CPC Committee on 20 August. First of all, on behalf of the provincial CPC Committee, the provincial government, and Comrade Song Renqiong, member of the Political Bureau of the CPC Central Committee, I extend intimate regards to the broad masses of cadres and the people, and commanders and fighters of the PLA units who are fighting in the forefront of flood-fighting, emergency, and disaster-relief work. [end recording]

After reviewing the situation of the disaster caused by the preceding stage of flooding, Comrade Gao Di pointed out: So far, the disaster situation is continuing to develop. Following typhoons No 8 and 9, typhoon No 10 will exert a tremendous influence on our province. So he called on CPC committees and governments at all levels, party members, cadres, and the masses to clearly understand the seriousness, prolonged nature, and urgency of this year's flood-combat and disaster-relief work, to ideologically make good preparations for combating serious flood disasters, and to make persistent efforts to win final victory in flood-combat and disaster-relief work.

After affirming the contributions to combating the floods and dealing with emergencies made by CPC committees and governments at all levels, and the broad masses of party members, cadres, and the people; he emphatically pointed out:

[Begin Gao Di recording] We should regard flood-fighting and disaster relief as the central task at present and in the near future. All departments should serve flood-fighting and disaster-relief work. Work in all fields will have to make way for flood-fighting and disaster-relief work.

We should make full preparations for combating the disasters that are predicted to occur, fully understand the losses caused by the disasters, and have strong confidence in overcoming difficulties in the struggle against disasters. We should stop and correct the thinking of lowering our guard, a slackening in mood, becoming dispirited, and fearing difficulties. A matter of prime importance at present is to combat the floods, to rush to deal with the emergency, and to meet the approaching typhoon No 10. We should prepare for the worst, study and work out countermeasures, and organize full forces to ensure the safety of the dikes of reservoirs, rivers, and lakes. We should ensure the safety of state property and the lives and property of the people. We should enthusiastically provide for and help ourselves by engaging in production. The disasters this year are very serious. The disaster-stricken people have many difficulties. First of all, we should ensure that the disaster-stricken people have food and lodgings, ensure the completion of restoring the houses damaged by the disasters before winter, and strive to increase production and revenues. It is a foregone conclusion that this year's agricultural production will be reduced. However, the drop in agricultural production is not fixed. We should strive to reap better harvests despite serious disasters. The disaster-stricken areas should rush to salvage crops in order to reduce the drop in production.

The best assistance that can be given by the areas not stricken by flood disasters to the disaster-stricken areas is to increase production and revenues. We should mobilize the forces in all fields to firmly restore the projects damaged by floodwaters. We should achieve the construction of farmlands, villages, and towns. At present we should enthusiastically rush to deal with activities that directly affect our safety and to safeguard the large projects that directly affect the increase in production and revenues and the people's livelihood. After the flood period, we must organize the masses to dig ditches, drain off the water, clear channels, and reinforce dikes. Efforts must be made to upgrade the quality of the conveyance system, to ensure the safety of the people, and to make the most of the conveyance system. We should conscientiously strengthen leadership. During the flood period, leading cadres at all levels must go deep into the forefront of flood-fighting and emergency work to give directions for the work. Then leading cadres should go deep into the disaster-stricken areas to solidly help every household, village, and town solve practical problems, and uphold the stand of the masses to share comforts and hardship with them. [end recording]

Comrade Gao Di finally called on party members, CYL members, and the broad masses of cadres and the people throughout the province to take immediate action to enthusiastically engage in the struggle of combating floods, dealing with the emergency, and providing disaster relief and to make contributions to winning victories in fighting floods, dealing with the emergency, and conducting rescue work.

Attending the telephone conference were leading comrades of the provincial CPC Committee, the provincial Advisory Commission, the provincial People's Congress, the provincial government, the provincial CPPCC Committee, the provincial Discipline Inspection Commission, the provincial military district, PLA units stationed in Changchun, the Changchun City CPC Committee, and the Changchun City People's Government.

JILIN CONGRESS APPOINTS NEW SECRETARY GENERAL

SK200941 Changchun JILIN RIBAO in Chinese 1 Aug 85 p 1

[Text] The Standing Committee of the Sixth Jilin Provincial People's Congress approved, on 31 July 1985, the appointment of Liu Xilin [0491 1585 2651] as secretary general of the provincial people's government, and the removal of Gao Wen from the post of secretary general of the provincial people's government.

LIAONING CITIES HIT HARD BY RECENT RAINSTORMS

SK210826 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 20 Aug 85

[Excerpt] Affected by typhoon No 9, Dalian, Dandong, Yingkou, Liaoyang and Teling have been afflicted by rainstorms again. Leading comrades of various localities have led the masses to stand fast at the forefront of fighting the floods in order to ensure victory in fighting floods.

Typhoon No 9 this year hit the province at a place between Dalian and Fushun at 1915 on 19 August with a wind force of 9 to 10, and with a peak wind force of 12. Affected by typhoon No 9, from 0800 on 18 August to 1700 on 19 August, most areas in Dalian City were hit by heavy rains or torrential rainstorms, and a few places were hit by catastrophic rainstorms. The water levels of rivers and reservoirs have risen sharply, and 9 of the 13 large and medium-sized reservoirs in the city have overflowed. In some sections railways, highways, roadbeds and bridges have been destroyed. Traffic and communications have been blocked, most crops have been damaged, most apples have fallen, and residents of some villages have been besieged by floods. More than 20,000 trees in Dalian City have been blown down, resulting in a large-scale traffic jam and cuts in power, water, and gas supplies in 60 percent of the city's areas.

Having been hit by catastrophic floods in succession, Dandong City was again hit by typhoon No 9 in the small hours of 20 August. The losses caused by the typhoon were serious in Donggou, Xiyuan and Fengcheng Counties. In places in the path of the typhoon a vast stretch of high crops and many wire poles and trees have been flattened, and many autumn silkworms have been blown down from the mountains.

Affected by typhoon No 9, heavy rainstorms caused disastrous flooding in the urban district of Yingkou City and in western Yingkou County. The precipitation exceeded 400 mm. A total of 500,000 mu of farmland has been afflicted, 200,000 mu of paddyfields have been inundated, and traffic and communications have been blocked in some areas. Landslides have occurred in some sections of the Liao He outer dam, and many houses have been flooded.

From 1400 on 18 August to the small hours of 20 August, Liaoyang City was hit by heavy rains and heavy rainstorms in succession. Thus far, there are still three submerged communication lines, and nearby residents must go out in rafts.

LIAONING CADRES ILLEGALLY SPEND STATE FUNDS

OW221333 Beijing XINHUA Domestic Service in Chinese 0050 GMT 22 Aug 85

[By reporters Wang Qinxue and Li Xinyan]

[Excerpts] Shenyang, 22 Aug (XINHUA) — Recently, the Liaoning Provincial Discipline Inspection Commission, in coordination with the departments concerned, investigated a serious economic case and took stern punitive measures accordingly. Some cadres who are party members illegally divided up and spent more than 220,000 yuan from the state construction fund for the project to upgrade the Shen-Da (Shenyang-Dalian) highway.

The project to upgrade the Shenyang-Dalian highway is a key project of Liaoning Province. In accordance with the principle of "contract responsibility for the budgeted funds with surplus retainable but no refund for excess expenditures," the provincial General Construction Command had this project contracted out to the five cities along the highway.

When Liaoyang City got its share of the construction task, it established a branch command consisting of leaders of the city government and the provincial Communications Department. It then subcontracted the task to Liaoyang County, Dengta County, the city Construction Commission, and the city Communications Bureau. The Communications Bureau, however, in turn let out its construction task worth more than 1.64 million yuan to the contractor group whose members include Li Wancheng, party branch secretary of the highway construction engineering group who now serves as deputy director of the General Office of the branch command. This Li Wancheng contractor group, without registering with the administrative organ for industry and commerce to obtain permission, has neither the qualifications of a construction enterprise nor the status of a legal person. All of its 10 principal members are state cadres. They all have dual status in terms of the fulfillment of the contract and are therefore not in a position to exercise mutual constraint.

On the basis of the suggestions of the joint investigation group and with the approval of the Liaoning Provincial CPC Committee, the Liaoyang City CPC Committee has decided on the following disciplinary actions: to expel Li Wancheng -- who has the principal responsibility in the case that caused serious economic loss to the state -- from the party and suggest that he be dismissed from his administrative posts; to remove Zhang Gongxian -- deputy chief of the branch command who has a major responsibility in the case -- from his party posts and suggest that he be dismissed from the post as deputy director of the provincial Communications Department; to remove Yang Chunyuan -- who also has a major responsibility in the case -- from his party posts and suggest that he be dismissed from the post as deputy director of the city Communications Bureau; to issue a party disciplinary warning to Cai Shaoxun, vice mayor and former chief of the branch command who has committed bureaucratic mistakes; to issue a serious party disciplinary warning to Cui Xiechang, former deputy secretary general of the city government and former deputy chief of the branch command who has the responsibility of direct leadership in the case; and to extend the period of probationary party membership by 1 year for He Tingguo -- vice president of the city construction bank who has failed in his supervisory duty -- and suggest that he be recorded as having committed a serious administrative mistake.. As for the others involved in the case, their respective units will conduct investigations to affix responsibilities and take stern disciplinary actions accordingly.

The party group of the provincial Communications Department and the provincial General [Construction] Command are responsible for the case as far as leadership is concerned. They should seriously carry out self-criticisms and learn from this experience. The illegal incomes obtained by the Li Wancheng contractor group and the excessive bonuses issued by the branch command should all be turned in to the state treasury in their exact amounts.

I. 23 Aug 85

PRC REGIONAL AFFAIRS
NORTHWEST REGION

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GANSU REVIEWS LESSONS ON MINING BUREAU PROBLEMS

HK230303 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 22 Aug 85

[Excerpts] On 13 August, the Economic Work Department of the Gansu Provincial CPC Committee summoned party committee secretaries and managers of some Lanzhou enterprises, together with responsible comrades of provincial and city departments concerned, to ideologically analyze and discuss the abuse of powers and random bonus payments made by leading cadres of Yaojie Mining Bureau. The problems at this mining bureau amounted to serious breaches of discipline in seizing the chance of reform to abuse powers, encroach on the workers' interests, and violate state regulations. That the provincial CPC Committee has dealt severely with this matter shows that the committee is resolved to strictly enforce party discipline and straighten out party style.

Through ideological analysis, the participants drew the following experiences and lessons from this incident: 1) They realized the importance of strengthening education in party spirit and boosting the concept of party spirit while carrying out reforms, in light of actions of leading cadres of Yaojie Mining Bureau in forgetting the program of serving the people wholeheartedly. 2) The lesson of the serious dereliction of duty by the Yaojie Mining Bureau CPC Committee shows that, after instituting the plant manager responsibility system, the enterprises must strengthen the building of the party committee itself and bring into full play its guarantor and supervisory role. 3) They realized the importance of allowing the workers' congress to exercise its powers, in light of the weak democratic management at Yaojie Mining Bureau. 4) Starting off by analyzing the harm done by this incident and by absorbing the lessons and blocking loopholes, they have regarded this incident as typical material for conducting education in ideals and discipline for enterprise cadres and workers, and have enhanced awareness of resisting unhealthy trends.

NEW XINJIANG MILITARY LEADERS ON INSPECTION TOUR

OW221139 Beijing XINHUA Domestic Service in Chinese 1622 GMT 20 Aug 85

[By JIEFANGJUN BAO reporter Fan Wenming and XINHUA reporter Su Xinfai]

[Text] Urumqi, 20 Aug (XINHUA) — The provincial members of the newly established leading body of the Xinjiang Military District have taken the lead in conducting investigations and study, and set a good example in helping the leadership of various PLA units at all levels change work style.

After its founding, the new leading body of the Xinjiang Military District regarded the improvement of the leadership style as an important issue in strengthening various leading bodies and formulated specific measures to maintain close touch with the actual situation and conduct investigations and study. As soon as he reported to work, Political Commissar Tang Guangcai [0781 1639 2088] went to inspect the highland border PLA units in southern Xinjiang, holding forums and briefings, talking to cadres and fighters, and extensively listening to the views of the fighters and cadres. He inspected the border sentry posts at elevations of over 3,700 meters, and appreciated the situation along the border. He encouraged the border guards to do an even better job in building the border region in the course of reforming the Army system. Commander Liu Hiaqing went deep into the Ili area in northern Xinjiang, and visited various military subcommands, border units and sentry posts. He understood that some of the comrades in People's Armed Forces departments were worried about letting the local authorities handle their work.

He then took the initiative to talk to them and educate them to correctly handle the relationship between individual interests and the national interests, to set good examples in taking the overall situation into consideration and to make use of actual deeds in reforming the Army system and streamlining and readjusting the Army. He also called on cadres and fighters to implement state policies and party discipline exemplarily and to make contributions to strengthening unity among various nationalities and unity between the Army and the people in the border region.

Leading comrades of the Xinjiang Military District, including Political Commissar Wang Enmao, recently inspected a certain regiment that was participating in the work of building the northern Xinjiang railway. He went to the construction site to become familiar with construction work and study the living conditions of and the recreation facilities for the cadres and fighters. He urged the leading comrades of the regiment to help cadres and fighters maintain their fighting spirit and to show concern for their physical conditions. He stressed the need to let the fighters eat and rest well. He heard that the PLA construction unit also helped the local people in speeding up spring sowing and summer harvest work and in planting trees. He warmly praised the PLA unit for doing such work in addition to its original assignment in railway construction. He said: This is a good way to restore the magnificent image of the People's Army and promote unity among all nationalities. As long as we perform good deeds for the people of all nationalities in the border region, we will win respect and support from them.

Inspired by the new leading body of the military district, the leading bodies at all levels in various PLA units under its command have whipped up enthusiasm for conducting investigations and study. The various organs and PLA units under the command of the military district have dispatched scores of work teams to 60 to areas north and south of Tianshan, to visit the basic-level companies, border sentries, and highland PLA units to conduct investigations and study earnestly and to help them reform the Army system and streamline and readjust the Army.

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